

SESSION LAWS
OF
HAWAII
PASSED BY THE
TWENTY-NINTH STATE LEGISLATURE
STATE OF HAWAII

SPECIAL SESSION
2017

Convened on Monday, August 28, 2017 and
Adjourned sine die on Friday, September 1, 2017

REGULAR SESSION
2018

Convened on Wednesday, January 17, 2018 and
Adjourned sine die on Thursday, May 3, 2018

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Revisor of Statutes
State of Hawaii
Honolulu, Hawaii

PREFACE

This volume contains all of the laws enacted by the Hawaii State Legislature during the Special Session of 2017 and the Regular Session of 2018.

The text of the laws is printed in full except as provided herein. Statutory material that is being repealed is either bracketed or bracketed and stricken. New material is indicated by underscoring. However, as authorized by Section 23G-16.5, Hawaii Revised Statutes (HRS), the text is edited to omit the bracketed material for HRS sections that are being repealed in their entirety and to omit the underscoring for entirely new HRS sections. With the exception of the foregoing and certain obvious typographical errors that have been corrected, the text of the laws appears as enacted.

Explanatory notes appear at the end of the corresponding laws. The notes clarify editorial changes and inconsistencies in text.

Charlotte A. Carter-Yamauchi
Revisor of Statutes

Honolulu, Hawaii
July 15, 2018

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R – Republicans 0

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D – Democrats	46
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²Appointed to seat vacated by Marcus R. Oshiro.

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**PROPOSED CONSTITUTIONAL AMENDMENT
2018 REGULAR SESSION**

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**Session Laws of Hawaii
Passed By The
Twenty-Ninth State Legislature
Special Session
2017**

ACT 1

S.B. NO. 4

A Bill for an Act Relating to Government.

Be It Enacted by the Legislature of the State of Hawaii:

PART I

SECTION 1. The legislature finds that section 46-16.8, Hawaii Revised Statutes, previously authorized each county to adopt a surcharge on state tax. The legislature further finds that the city and county of Honolulu is the only county that adopted an ordinance for a surcharge. Specifically, in 2005, the city and county of Honolulu adopted an ordinance to establish a one-half of one per cent surcharge on state tax and for that surcharge to be levied, assessed, and collected beginning on January 1, 2007, to fund a rail transportation project.

The purpose of this Act is to:

- (1) Provide counties that have not previously adopted a surcharge on state tax with another opportunity to adopt a surcharge; and
- (2) Provide the city and county of Honolulu with a financial mechanism that will provide revenue sources for the construction of its rail transportation project.

SECTION 2. Section 46-16.8, Hawaii Revised Statutes, is amended by amending subsections (b) and (c) to read as follows:

“(b) Each county that has established a surcharge on state tax prior to ~~[[July 1, 2015,]]~~ under authority of subsection (a) may extend the surcharge ~~[from January 1, 2023,]~~ until December 31, ~~[2027,]~~ 2030, at the same rates. A county electing to extend this surcharge shall do so by ordinance; provided that:

- (1) No ordinance shall be adopted until the county has conducted a public hearing on the proposed ordinance; and
- (2) The ordinance shall be adopted prior to ~~[July 1, 2016, but no earlier than July 1, 2015,]~~ January 1, 2018.

A county electing to exercise the authority granted under this subsection shall notify the director of taxation within ten days after the county has adopted an ordinance extending the surcharge on state tax. ~~[Beginning on January 1, 2023, the]~~ The director of taxation shall levy, assess, collect, and otherwise administer the extended surcharge on state tax.

(c) Each county that has not established a surcharge on state tax prior to ~~[[July 1, 2015,]]~~ may establish the surcharge at the rates enumerated in sec-

tions 237-8.6 and 238-2.6. A county electing to establish this surcharge shall do so by ordinance; provided that:

- (1) No ordinance shall be adopted until the county has conducted a public hearing on the proposed ordinance;
- (2) The ordinance shall be adopted prior to ~~[July 1, 2016, but no earlier than July 1, 2015;]~~ March 31, 2018; and
- (3) No county surcharge on state tax that may be authorized under this subsection shall be levied prior to January 1, ~~[2018;]~~ 2019, or after December 31, ~~[2027;]~~ 2030.

A county electing to exercise the authority granted under this subsection shall notify the director of taxation within ten days after the county has adopted a surcharge on state tax ordinance. Beginning on January 1, ~~[2018;]~~ 2019, the director of taxation shall levy, assess, collect, and otherwise administer the county surcharge on state tax.”

SECTION 3. Section 237-8.6, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

“(b) Each county surcharge on state tax that may be adopted or extended pursuant to section 46-16.8 shall be levied beginning in ~~[the]~~ a taxable year after the adoption of the relevant county ordinance; provided that no surcharge on state tax may be levied:

- (1) Prior to:
 - (A) January 1, 2007, if the county surcharge on state tax was established by an ordinance adopted prior to December 31, 2005; or
 - (B) January 1, ~~[2018;]~~ 2019, if the county surcharge on state tax was established by the adoption of an ordinance after June 30, 2015, but prior to ~~[July 1, 2016;]~~ March 31, 2018; and
- (2) After December 31, ~~[2027;]~~ 2030.”

SECTION 4. Section 238-2.6, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

“(b) Each county surcharge on state tax that may be adopted or extended shall be levied beginning in ~~[the]~~ a taxable year after the adoption of the relevant county ordinance; provided that no surcharge on state tax may be levied:

- (1) Prior to:
 - (A) January 1, 2007, if the county surcharge on state tax was established by an ordinance adopted prior to December 31, 2005; or
 - (B) January 1, ~~[2018;]~~ 2019, if the county surcharge on state tax was established by the adoption of an ordinance after June 30, 2015, but prior to ~~[July 1, 2016;]~~ March 31, 2018; and
- (2) After December 31, ~~[2027;]~~ 2030.”

SECTION 5. Section 248-2.6, Hawaii Revised Statutes, is amended to read as follows:

“~~[[§248-2.6]]~~ **County surcharge on state tax; disposition of proceeds.** (a) If adopted by county ordinance, all county surcharges on state tax collected by the director of taxation shall be paid into the state treasury quarterly, within ten working days after collection, and shall be placed by the director of finance in special accounts~~[-]~~; provided that county surcharge revenues levied, assessed, and collected in a county with a population greater than five hundred thousand shall be deposited into the mass transit special fund established under section 248-_____. Out of the revenues generated by county surcharges on state tax paid into each respective state treasury special account~~[-]~~ or the mass transit special

fund, the director of finance shall deduct ~~ten~~ one per cent of the gross proceeds of a respective county's surcharge on state tax to reimburse the State for the costs of assessment, collection, ~~and~~ disposition, and oversight of the county surcharge on state tax incurred by the State. Amounts retained shall be general fund realizations of the State.

(b) The amounts deducted for costs of assessment, collection, ~~and~~ disposition, and oversight of county surcharges on state tax shall be withheld from payment to the counties by the State out of the county surcharges on state tax collected for the current calendar year.

(c) For the purpose of this section, the costs of assessment, collection, ~~and~~ disposition, and oversight of the county surcharges on state tax shall include any and all costs, direct or indirect, that are deemed necessary and proper to effectively administer this section and sections 237-8.6 and 238-2.6.

(d) ~~[After]~~ For a county with a population equal to or less than five hundred thousand that adopts a county surcharge on state tax, after the deduction and withholding of the costs under subsections (a) and (b), the director of finance shall pay the remaining balance on [[a]] quarterly basis to the director of finance of each county that has adopted a county surcharge on state tax under section 46-16.8.

For a county with a population greater than five hundred thousand that adopts or extends a county surcharge on state tax ordinance, after the deduction and withholding of the costs under subsections (a) and (b), the director of finance shall administer the remaining surcharge revenues in accordance with section 248-_____.

The ~~quarterly~~ payments shall be made after the county surcharges on state tax have been paid into the state treasury special accounts or the mass transit special fund or after the disposition of any tax appeal, as the case may be. All county surcharges on state tax collected shall be distributed by the director of finance to the county in which the county surcharge on state tax is generated and shall be a general fund realization of the county, to be used for the purposes specified in section 46-16.8 by each of the counties.”

SECTION 6. Act 247, Session Laws of Hawaii 2005, as amended by Act 240, Session Laws of Hawaii 2015, is amended by amending section 9 to read as follows:

“SECTION 9. This Act shall take effect upon its approval; provided that:

- (1) If none of the counties of the State adopt an ordinance to levy a county surcharge on state tax by December 31, 2005, this Act shall be repealed and section 437D-8.4, Hawaii Revised Statutes, shall be reenacted in the form in which it read on the day prior to the effective date of this Act;
- (2) If any county does not adopt an ordinance to levy a county surcharge on state tax by December 31, 2005, it shall be prohibited from adopting such an ordinance pursuant to this Act, unless otherwise authorized by the legislature through a separate legislative act; and
- (3) If an ordinance to levy a county surcharge on state tax is adopted by December 31, 2005:
 - (A) The ordinance shall be repealed on December 31, 2022; provided that the repeal of the ordinance shall not affect the validity or effect of an ordinance to extend a surcharge on state tax adopted pursuant to ~~Act 240, Session Laws of Hawaii 2015;~~ an act of the legislature; and

- (B) This Act shall be repealed on December 31, [2027;] 2030, and [(C) Section] section 437D-8.4, Hawaii Revised Statutes, shall be re-enacted in the form in which it read on the day prior to the effective date of this Act; provided that the amendments made to section 437D-8.4, Hawaii Revised Statutes, by Act 226, Session Laws of Hawaii 2008, as amended by Act 11, Session Laws of Hawaii 2009, and Act 110, Session Laws of Hawaii 2014, shall not be repealed.”

PART II

SECTION 7. Section 46-16.8, Hawaii Revised Statutes, is amended by amending subsection (e) to read as follows:

“(e) Each county with a population greater than five hundred thousand that adopts or extends a county surcharge on state tax ordinance pursuant to subsection (a) or (b) shall use the [~~surcharges~~] surcharge revenues received from the State for[;]

- (1) ~~Capital~~ capital costs of a locally preferred alternative for a mass transit project; [and
- (2) ~~Expenses in complying with the Americans with Disabilities Act of 1990 with respect to paragraph (1).~~

~~The~~ provided that revenues derived from the county surcharge on state tax shall not be used [to];

- (1) To build or repair public roads or highways, bicycle paths, or support public transportation systems already in existence prior to July 12, 2005[-];
- (2) For operating costs or maintenance costs of the mass transit project or any purpose not consistent with this subsection; or
- (3) For administrative or operating, marketing, or maintenance costs, including personnel costs, of a rapid transportation authority charged with the responsibility for constructing, operating, or maintaining the mass transit project;

provided further that nothing in this section shall be construed to prohibit a county from using county funds that are not derived from a surcharge on state tax for a purpose described in paragraph (2) or (3).”

PART III

SECTION 8. Chapter 248, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

“§248- Mass transit special fund; established; distribution of funds.

(a) There is established a mass transit special fund to be administered by the department of budget and finance.

(b) For the period beginning on January 1, 2018, to December 31, 2030, transient accommodations tax and surcharge on state tax revenues allocated to the mass transit special fund pursuant to sections 237D-2(e) and 248-2.6 shall be deposited into the special fund. All interest earned on the moneys in the special fund shall be credited to the general fund. The mass transit special fund shall be exempt from the central service expenses deduction under section 36-27 and departmental administrative expenses deduction under section 36-30.

(c) Upon receiving a certification statement from the comptroller pursuant to section 40- , the director of finance shall allocate and disburse moneys in the mass transit special fund to the director of finance of a county with a

population greater than five hundred thousand; provided that the director of finance shall only disburse those amounts that are certified in the certification statement for that county for the purposes specified in section 46-16.8; provided further that revenues allocated from the special fund shall not be used for:

- (1) Operating or maintenance costs of the mass transit project or any purpose not consistent with section 46-16.8(e); or
- (2) Administrative, operating, marketing, or maintenance costs, including personnel costs, of a rapid transportation authority charged with the responsibility for constructing, operating, or maintaining the mass transit project;

provided further that the total amount of funds that are available, allocated, and disbursed by the director of finance pursuant to this section shall not be in excess of the total amount indicated on the certification statement. The director of finance may allocate and disburse moneys pursuant to this section on a monthly basis.

Any amounts allocated and disbursed pursuant to this section shall be subject to the availability of funds deposited and on balance in the special fund. The director of finance shall not allocate or disburse any amounts from the special fund that are in excess of any amounts deposited and on balance in the special fund.

(d) The director of finance shall post all certification statements received from the comptroller pursuant to section 40- on the department of budget and finance's website within ten working days of payments made pursuant to this section.

(e) The department of budget and finance shall submit an annual report to the legislature not later than twenty days prior to the convening of each regular session on the total amount of funds allocated pursuant to this section.

(f) The director of finance may establish rules, exempt from chapter 91, for the purposes of this section."

SECTION 9. Section 237D-2, Hawaii Revised Statutes, is amended to read as follows:

"§237D-2 Imposition and rates. (a) There is levied and shall be assessed and collected each month a tax of:

- (1) Five per cent for the period beginning on January 1, 1987, to June 30, 1994;
- (2) Six per cent for the period beginning on July 1, 1994, to December 31, 1998;
- (3) 7.25 per cent for the period beginning on January 1, 1999, to June 30, 2009;
- (4) 8.25 per cent for the period beginning on July 1, 2009, to June 30, 2010; and
- (5) 9.25 per cent for the period beginning on July 1, 2010, and thereafter; on the gross rental or gross rental proceeds derived from furnishing transient accommodations.

(b) Every operator shall pay to the State the tax imposed by subsection (a), as provided in this chapter.

(c) There is levied and shall be assessed and collected each month, on the occupant of a resort time share vacation unit, a transient accommodations tax of:

- (1) 7.25 per cent on the fair market rental value until December 31, 2015;

- (2) 8.25 per cent on the fair market rental value for the period beginning on January 1, 2016, to December 31, 2016; and
- (3) 9.25 per cent on the fair market rental value for the period beginning on January 1, 2017, and thereafter.
- (d) Every plan manager shall be liable for and pay to the State the transient accommodations tax imposed by subsection (c) as provided in this chapter. Every resort time share vacation plan shall be represented by a plan manager who shall be subject to this chapter.

(e) Notwithstanding the tax rates established in subsections (a)(5) and (c)(3), the tax rates levied, assessed, and collected pursuant to subsections (a) and (c) shall be 10.25 per cent for the period beginning on January 1, 2018, to December 31, 2030; provided that:

- (1) The tax revenues levied, assessed, and collected pursuant to this subsection that are in excess of the revenues realized from the levy, assessment, and collection of tax at the 9.25 per cent rate shall be deposited quarterly into the mass transit special fund established under section 248- ; and
- (2) If a court of competent jurisdiction determines that the amount of county surcharge on state tax revenues deducted and withheld by the State, pursuant to section 248-2.6, violates statutory or constitutional law and, as a result, awards moneys to a county with a population greater than five hundred thousand, then an amount equal to the monetary award shall be deducted and withheld from the tax revenues deposited under paragraph (1) into the mass transit special fund, and those funds shall be a general fund realization of the State.

The remaining tax revenues levied, assessed, and collected at the 9.25 per cent tax rate pursuant to subsections (a) and (c) shall be distributed in accordance with section 237D-6.5(b)."

SECTION 10. Section 237D-6.5, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

"(b) [Revenues] Except for the revenues collected pursuant to section 237D-2(e), revenues collected under this chapter shall be distributed in the following priority, with the excess revenues to be deposited into the general fund:

- (1) \$1,500,000 shall be allocated to the Turtle Bay conservation easement special fund beginning July 1, 2015, for the reimbursement to the state general fund of debt service on reimbursable general obligation bonds, including ongoing expenses related to the issuance of the bonds, the proceeds of which were used to acquire the conservation easement and other real property interests in Turtle Bay, Oahu, for the protection, preservation, and enhancement of natural resources important to the State, until the bonds are fully amortized;
- (2) \$26,500,000 shall be allocated to the convention center enterprise special fund established under section 201B-8;
- (3) \$82,000,000 shall be allocated to the tourism special fund established under section 201B-11; provided that:
 - (A) Beginning on July 1, 2012, and ending on June 30, 2015, \$2,000,000 shall be expended from the tourism special fund for development and implementation of initiatives to take advantage of expanded visa programs and increased travel opportunities for international visitors to Hawaii;
 - (B) Of the \$82,000,000 allocated:

- (i) \$1,000,000 shall be allocated for the operation of a Hawaiian center and the museum of Hawaiian music and dance at the Hawaii convention center; and
 - (ii) 0.5 per cent of the \$82,000,000 shall be transferred to a sub-account in the tourism special fund to provide funding for a safety and security budget, in accordance with the Hawaii tourism strategic plan 2005-2015; and
- (C) Of the revenues remaining in the tourism special fund after revenues have been deposited as provided in this paragraph and except for any sum authorized by the legislature for expenditure from revenues subject to this paragraph, beginning July 1, 2007, funds shall be deposited into the tourism emergency special fund, established in section 201B-10, in a manner sufficient to maintain a fund balance of \$5,000,000 in the tourism emergency special fund;
- (4) \$103,000,000 [~~for fiscal year 2014-2015, \$103,000,000 for fiscal year 2015-2016, \$103,000,000 for fiscal year 2016-2017, and \$93,000,000 for each fiscal year thereafter~~] shall be allocated as follows: Kauai county shall receive 14.5 per cent, Hawaii county shall receive 18.6 per cent, city and county of Honolulu shall receive 44.1 per cent, and Maui county shall receive 22.8 per cent; provided that commencing with fiscal year 2018-2019, a sum that represents the difference between a county public employer's annual required contribution for the separate trust fund established under section 87A-42 and the amount of the county public employer's contributions into that trust fund shall be retained by the state director of finance and deposited to the credit of the county public employer's annual required contribution into that trust fund in each fiscal year, as provided in section 87A-42, if the respective county fails to remit the total amount of the county's required annual contributions, as required under section 87A-43; and
- (5) \$3,000,000 shall be allocated to the special land and development fund established under section 171-19; provided that the allocation shall be expended in accordance with the Hawaii tourism authority strategic plan for:
- (A) The protection, preservation, maintenance, and enhancement of natural resources, including beaches, important to the visitor industry;
 - (B) Planning, construction, and repair of facilities; and
 - (C) Operation and maintenance costs of public lands, including beaches, connected with enhancing the visitor experience.

All transient accommodations taxes shall be paid into the state treasury each month within ten days after collection and shall be kept by the state director of finance in special accounts for distribution as provided in this subsection.

As used in this subsection, "fiscal year" means the twelve-month period beginning on July 1 of a calendar year and ending on June 30 of the following calendar year."

PART IV

SECTION 11. (a) The state auditor shall conduct an audit of the Honolulu authority for rapid transportation. The audit shall include an examination of the financial records and an analysis of the financial management of the Honolulu authority for rapid transportation, including but not limited to:

- (1) The Honolulu authority for rapid transportation's financial plan and related systems of accounting;
- (2) The Honolulu authority for rapid transportation's fiscal and management policies, practices, and processes associated with the plans, design, bidding, and construction of the Honolulu rail transit project;
- (3) All contracts awarded for, and expenditures associated with, the Honolulu rail transit project, including payments to contractors, subcontractors, and consultants, as well as any change orders;
- (4) Expenditures by the Honolulu authority for rapid transportation for personnel costs, lease rent, and any other costs associated with its management and operations; and
- (5) Any other subjects that the auditor deems necessary for review, to determine whether funds received by the Honolulu authority for rapid transportation from the county surcharge on state tax are being managed and used in a reasonable manner.

As part of its analysis, the state auditor shall research the criteria used by the Federal Transit Authority to determine whether expenditures comply with the requirements and restrictions of the full funding agreement of the Honolulu rail transit project.

(b) In addition to the audit required in this section, the state auditor shall:

- (1) Identify, based on information and prior analyses by the Honolulu authority for rapid transportation, alternative routes and development options and the projected costs for each alternative route and development option for the Middle Street to Ala Moana segment of the Honolulu rail transit project; and
- (2) Obtain from the Honolulu authority for rapid transportation a detailed financial plan that describes the predicted means by which the Honolulu authority for rapid transportation and the city and county of Honolulu will finance the ongoing costs of maintaining and operating the Honolulu rail transit project without the use of state moneys or other state-provided financial supports. The state auditor shall submit the auditor's findings and recommendations on the financial reasonableness of the financial plan and include these findings and recommendations in the audit report.

(c) To effectuate the purpose of this section, the state auditor shall have all the powers established pursuant to chapter 23, Hawaii Revised Statutes, including the power to subpoena the production of any documents from the Honolulu authority for rapid transportation that may be necessary to complete the audit required by this section.

(d) The state auditor shall report the auditor's findings and recommendations to the legislature, state director of finance, and the board of directors of the Honolulu authority for rapid transportation no later than twenty days prior to the convening of the regular session of 2019.

PART V

SECTION 12. Chapter 23, Hawaii Revised Statutes, is amended by adding a new section to part I to be appropriately designated and to read as follows:

“§23- Rapid transportation authority; annual review. (a) Beginning on the effective date of Act _____, First Special Session of 2017, and ending on December 31, 2031, the auditor, on an annual basis, shall conduct a review of any

rapid transportation authority in the State charged with the responsibility of constructing, operating, or maintaining a locally preferred alternative for a mass transit project that receives moneys from a surcharge on state tax established pursuant to section 46-16.8, transient accommodations tax revenues pursuant to section 237D-2(e), or both. The annual review shall include a review of documents, including but not limited to invoices, contracts, progress reports, and time schedules, to determine that:

- (1) Expenditures by the authority comply with the criteria established pursuant to section 46-16.8(e); and
 - (2) The authority follows accounting best practices for substantiating its expenditures.
- (b) A rapid transportation authority subject to this section and any private company or agency contracted to provide services for the locally preferred alternative for a mass transit project shall cooperate with and assist the auditor as needed in conducting the annual review, including promptly providing all records and other information requested by the auditor in the course of the annual review.
- (c) The auditor shall submit the findings and recommendations of the auditor's review to the legislature and the rapid transportation authority no later than twenty days prior to the convening of the immediately following regular session."

SECTION 13. Chapter 40, Hawaii Revised Statutes, is amended by adding a new section to part IV to be appropriately designated and to read as follows:

"§40- Rapid transportation authority; certification statement. (a) Beginning on the effective date of Act , First Special Session of 2017, and ending on December 31, 2031, the comptroller, upon the request for payment by the rapid transportation authority, shall verify that the authority's invoices for the capital costs of a locally preferred alternative for a mass transit project comply with section 46-16.8(e).

(b) The rapid transportation authority subject to this section shall provide the comptroller with:

- (1) The authority's financial plan and related systems for accounting, including a budget for a locally preferred alternative for a mass transit project;
- (2) Expenditures for capital costs for a locally preferred alternative for a mass transit project;
- (3) Expenditures for personnel costs, lease rent, and any other costs associated with the authority's management and operations; and
- (4) Any other information the comptroller may require to accomplish the purpose of this section.

(c) After submission of invoices by the rapid transportation authority for capital costs of a locally preferred alternative for a mass transit project are verified by the comptroller as an acceptable use of funds received pursuant to a surcharge on state tax authorized pursuant to section 46-16.8, the comptroller shall submit a certification statement, including any appropriate supporting documents, to the department of budget and finance for the allocation of funds, if available, pursuant to sections 248- and 248-2.6(d). The certification statement shall include, at a minimum, the total amount contained in the invoices for capital costs that are verified as an appropriate use of funds pursuant to section 46-16.8(e).

(d) The comptroller may establish rules, exempt from chapter 91, for the purposes of this section.

(e) For the purposes of this section, “rapid transportation authority” means any entity established by a county in the State for the purpose of constructing, operating, or maintaining a locally preferred alternative for a mass transit project and that receives moneys from a surcharge on state tax established pursuant to section 46-16.8, transient accommodations tax revenues pursuant to section 237D-2(e), or both.”

PART VI

SECTION 14. There is appropriated out of the general revenues of the State of Hawaii the sum of \$100,000 or so much thereof as may be necessary for fiscal year 2017-2018 to establish one full-time equivalent (1.0 FTE) civil service exempt position to assist the director of finance in determining the distribution and remittance of revenues derived from a county surcharge on state tax pursuant to section 248-2.6(d), Hawaii Revised Statutes, and the transient accommodations tax pursuant to part III of this Act.

The sum appropriated shall be expended by the department of budget and finance for the purposes of this Act. The appropriation made pursuant to this section shall not lapse at the end of the fiscal year in which the appropriation is made; provided that any amounts that remain unencumbered on June 30, 2019, shall lapse on that date.

PART VII

SECTION 15. There is appropriated out of the general revenues of the State of Hawaii the sum of \$400,000 or so much thereof as may be necessary for fiscal year 2017-2018 to establish three full-time equivalent (3.0 FTE) civil service exempt positions to assist in verifying rapid transportation authority expenditures, pursuant to section 40- , Hawaii Revised Statutes. The comptroller may contract the services of persons or entities to effectuate the purposes of this Act. Any contract for services executed by the comptroller pursuant to this section or section 40- , Hawaii Revised Statutes, shall be exempt from chapter 103D, Hawaii Revised Statutes.

The sum appropriated shall be expended by the department of accounting and general services for the purposes of this Act. The appropriation made pursuant to this section shall not lapse at the end of the fiscal year in which the appropriation is made; provided that any amounts that remain unencumbered on June 30, 2019, shall lapse on that date.

PART VIII

SECTION 16. There is appropriated out of the general revenues of the State of Hawaii the sum of \$1,000,000 or so much thereof as may be necessary for fiscal year 2017-2018 to:

- (1) Conduct annual reviews, pursuant to section 23- , Hawaii Revised Statutes; and
- (2) Conduct an audit of the Honolulu authority for rapid transportation pursuant to section 11 of this Act.

The sum appropriated shall be expended by the office of the auditor for the purposes of this Act. The appropriation made pursuant to this section shall not lapse at the end of the fiscal year in which the appropriation is made; provided that any amounts that remain unencumbered on June 30, 2019, shall lapse on that date.

PART IX

SECTION 17. There is appropriated out of the mass transit special fund established pursuant to section 248- , Hawaii Revised Statutes, the sum of \$1,000,000,000 or so much thereof as may be necessary for fiscal year 2017-2018 for the director of finance to pay the expenses of a rapid transit authority that are certified pursuant to section 40- , Hawaii Revised Statutes.

The sum appropriated shall be expended by the department of budget and finance for the purposes of this Act. The appropriation made pursuant to this section shall not lapse at the end of the fiscal year in which the appropriation is made; provided that any amounts that remain unencumbered on June 30, 2019, shall lapse to the credit of the mass transit special fund on that date.

PART X

SECTION 18. Notwithstanding any law, charter provision, or ordinance to the contrary, in any county with a population greater than five hundred thousand, in order to ensure the appropriate use of state authorized funds to finance a locally preferred alternative for a mass transit project, the president of the senate and speaker of the house of representatives shall each appoint two non-voting, ex-officio members to the board of directors of the county's rapid transportation authority. The terms for each member appointed pursuant to this section shall be determined by the presiding officer who appointed them.

For the purposes of this section, "county rapid transportation authority" means any entity established by a county in the State with a population greater than five hundred thousand for the purpose of constructing, operating, or maintaining a locally preferred alternative for a mass transit project and that receives moneys from a surcharge on state tax established pursuant to section 46-16.8, Hawaii Revised Statutes, transient accommodations tax revenues pursuant to section 237D-2(e), Hawaii Revised Statutes, or both.

PART XI

SECTION 19. This Act shall not be construed to prohibit the use of funds generated by a county for purposes not prohibited by state law.

SECTION 20. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

SECTION 21. If any provision of this Act, or the application thereof to any person or circumstance, is held invalid, the invalidity does not affect other provisions or applications of the Act that can be given effect without the invalid provision or application, and to this end the provisions of this Act are severable.

SECTION 22. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.¹

SECTION 23. This Act shall take effect upon its approval.

(Approved September 5, 2017.)

Note

1. Edited pursuant to HRS §23G-16.5.

ACT 2

S.B. NO. 3

A Bill for an Act Relating to Public Employment.

Be It Enacted by the Legislature of the State of Hawaii:

PART I

SECTION 1. There are appropriated or authorized from the sources of funding indicated below to collective bargaining statewide (BUF 102) the following sums, or so much thereof as may be necessary, to fund for fiscal biennium 2017-2019 all collective bargaining cost items in the agreement negotiated with the exclusive bargaining representative of collective bargaining unit (7):

	<u>FY 2017-2018</u>	<u>FY 2018-2019</u>
General Funds	\$8,322,106	\$20,128,588
Special Funds	\$666,984	\$1,439,040
Federal Funds	\$207,761	\$492,078
Other Federal Funds	\$2,310	\$4,947
Revolving Funds	\$52,058	\$116,551

SECTION 2. Funds appropriated or authorized by this part shall be allotted by the director of finance for expenditure in the respective fiscal year for the purposes of this part.

PART II

SECTION 3. There are appropriated or authorized from the sources of funding indicated below to collective bargaining statewide (BUF 102) the following sums or so much thereof as may be necessary to fund for fiscal biennium 2017-2019 the salary increases and other cost adjustments authorized by chapter 89C, Hawaii Revised Statutes, for state officers and employees who are excluded from collective bargaining and belong to the same compensation plans as those officers and employees within collective bargaining unit (7):

	<u>FY 2017-2018</u>	<u>FY 2018-2019</u>
General Funds	\$1,202,876	\$2,802,713
Special Funds	\$167,491	\$363,236
Federal Funds	\$2,223	\$4,760
Other Federal Funds	\$2,557	\$5,476
Revolving Funds	\$3,815	\$9,035

SECTION 4. Funds appropriated or authorized by this part shall be allotted by the director of finance for expenditure in the respective fiscal year for the purposes of this part.

PART III

SECTION 5. Salary increases and cost adjustments provided in this Act for any officer or employee whose compensation is paid, in whole or in part, from federal, special, or other funds shall be paid wholly or proportionately, as the case may be, from the respective funds.

SECTION 6. Funds appropriated or authorized by this Act that are not expended or encumbered by June 30, 2018, and June 30, 2019, of the respective fiscal years, shall lapse as of those dates.

SECTION 7. This Act shall take effect upon its approval.

(Approved September 14, 2017.)

ACT 3

S.B. NO. 2

A Bill for an Act Relating to Public Employment Cost Items.

Be It Enacted by the Legislature of the State of Hawaii:

PART I

SECTION 1. There are appropriated or authorized from the sources of funding indicated below to collective bargaining statewide (BUF 102) the following sums, or so much thereof as may be necessary, to fund for fiscal biennium 2017-2019 all collective bargaining cost items in the agreement negotiated with the exclusive representative of collective bargaining units (1) and (10):

	<u>FY 2017-2018</u>	<u>FY 2018-2019</u>
General Funds	\$6,212,559	\$19,745,057
Special Funds	\$1,514,267	\$3,851,736
Federal Funds	\$175,592	\$518,064
Other Federal Funds	\$36,279	\$102,178
Interdepartmental Transfers	\$3,872	\$9,423
Revolving Funds	\$28,183	\$75,807
Special Fund CIP	\$3,170	\$8,506

Of the above amounts, the following amounts are for the department of education:

	<u>FY 2017-2018</u>	<u>FY 2018-2019</u>
General Funds	\$1,936,304	\$4,735,328
Special Funds	\$622	\$1,572

SECTION 2. Funds appropriated by this part shall be allotted by the director of finance to the appropriate state departments for expenditure in the respective fiscal year for the purposes of this part.

PART II

SECTION 3. There are appropriated or authorized from the sources of funding indicated below to administration (JUD 601) the following sums, or so much thereof as may be necessary, to fund for fiscal biennium 2017-2019 all collective bargaining cost items for salary increases and other wage related costs in the agreement negotiated with the exclusive bargaining representative of collective bargaining units (1) and (10):

	<u>FY 2017-2018</u>	<u>FY 2018-2019</u>
General Funds	\$153,441	\$482,612

SECTION 4. Funds appropriated or authorized by this part shall be expended by the chief justice in the respective fiscal year for the purposes of this part.

PART III

SECTION 5. There are appropriated or authorized from the sources of funding indicated below to collective bargaining statewide (BUF 102) the following sums or so much thereof as may be necessary to fund for fiscal biennium 2017-2019 the salary increases and other cost adjustments authorized by chapter 89C, Hawaii Revised Statutes, for state officers and employees who are excluded from collective bargaining and belong to the same compensation plans as those officers and employees within collective bargaining units (1) and (10):

	<u>FY 2017-2018</u>	<u>FY 2018-2019</u>
General Funds	\$255,276	\$718,135
Special Funds	\$22,675	\$56,009
Federal Funds	\$1,337	\$3,435
Other Federal Funds	\$1,888	\$4,493

Of the above amounts, the following amounts are for the department of education:

	<u>FY 2017-2018</u>	<u>FY 2018-2019</u>
General Funds	\$189,400	\$469,241

SECTION 6. Funds appropriated or authorized by this part shall be allotted by the director of finance to the appropriate state departments for expenditure in the respective fiscal year for the purposes of this part.

PART IV

SECTION 7. There are appropriated or authorized from the sources of funding indicated below to administration (JUD 601) the following sums or so much thereof as may be necessary to fund for fiscal biennium 2017-2019 the salary increases and other cost adjustments authorized by chapter 89C, Hawaii Revised Statutes, for state officers and employees of the judiciary who are excluded from collective bargaining and belong to the same compensation plans as those officers and employees within collective bargaining units (1) and (10):

	<u>FY 2017-2018</u>	<u>FY 2018-2019</u>
General Funds	\$3,686	\$16,610

SECTION 8. The sums appropriated or authorized by this part shall be expended by the chief justice in the respective fiscal year for the purposes of this part.

PART V

SECTION 9. There are appropriated from the sources of funding indicated below to Hawaii health systems corporation - corporate office (HTH 210) the following sums or so much thereof as may be necessary to fund for fiscal biennium 2017-2019 the collective bargaining cost items in the agreement negotiated for state employees in collective bargaining units (1) and (10) assigned to the Hawaii health systems corporation:

	<u>FY 2017-2018</u>	<u>FY 2018-2019</u>
Special Funds	\$868,097	\$3,050,698

SECTION 10. The sums appropriated or authorized by this part shall be allotted by the director of finance to the Hawaii health systems corporation for expenditure in the respective fiscal year for the purposes of this part.

PART VI

SECTION 11. There are appropriated from the sources of funding indicated below to Hawaii health systems corporation - corporate office (HTH 210) the following sums or so much thereof as may be necessary to fund for fiscal biennium 2017-2019 salary increases and other cost adjustments authorized by chapter 89C, Hawaii Revised Statutes, for state officers and employees who are excluded from collective bargaining and belong to the same compensation plans as those officers and employees within collective bargaining units (1) and (10) and assigned to the Hawaii health systems corporation:

	<u>FY 2017-2018</u>	<u>FY 2018-2019</u>
Special Funds	\$37,031	\$101,059

SECTION 12. The sums appropriated or authorized by this part shall be allotted by the director of finance to the Hawaii health systems corporation for expenditure in the respective fiscal year for the purposes of this part.

PART VII

SECTION 13. Salary increases and cost adjustments provided in this Act for any officer or employee whose compensation is paid, in whole or in part, from federal, special, or other funds shall be paid wholly or proportionately, as the case may be, from the respective funds.

SECTION 14. Funds appropriated by this Act that are not expended or encumbered by June 30, 2018, and June 30, 2019, of the respective fiscal years, shall lapse as of those dates.

SECTION 15. This Act shall take effect upon its approval.

(Approved September 21, 2017.)

**Session Laws of Hawaii
Passed By The
Twenty-Ninth State Legislature
Regular Session
2018**

ACT 1

H.B. NO. 2600

A Bill for an Act Making Appropriations to Provide for the Expenses of the Legislature, the Auditor, the Legislative Reference Bureau, the Ombudsman, and the Ethics Commission.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. There is appropriated out of the general revenues of the State of Hawaii the sum of \$9,645,383 or so much thereof as may be necessary to the senate for the following expenses:

- (1) The sum of \$8,382,883 for defraying any and all session and non-session expenses of the senate up to and including June 30, 2019, including the 2018 regular session, twenty-ninth legislature of the State of Hawaii, and pre-session expenses and the expenses of any committee or committees established during the interim between the 2018 and 2019 regular sessions;
- (2) The sum of \$1,150,000 for defraying the expenses of the legislative information system for cost items such as hardware, software, consultants, installation, materials, supplies, and other related costs associated with the legislative information system that have been or will be incurred; and
- (3) The sum of \$112,500 for defraying the cost of the legislative broadcasting program to pay for the production and distribution of television broadcasts of legislative proceedings.

The sum appropriated in this section shall be expended by the senate.

SECTION 2. There is appropriated out of the general revenues of the State of Hawaii the sum of \$13,269,211 or so much thereof as may be necessary to the house of representatives for the following expenses:

- (1) The sum of \$12,218,287 for defraying any and all session and non-session expenses of the house of representatives up to and including June 30, 2019, including the 2018 regular session, twenty-ninth legislature of the State of Hawaii, and pre-session expenses and the expenses of any committee or committees established during the interim between the 2018 and 2019 regular sessions;
- (2) The sum of \$938,424 for defraying the expenses of the legislative information system for cost items such as hardware, software, consultants, installation, materials, supplies, and other related costs as-

ACT 1

sociated with the legislative information system that have been or will be incurred; and

- (3) The sum of \$112,500 for defraying the cost of the legislative broadcasting program to pay for the production and distribution of television broadcasts of legislative proceedings.

The sum appropriated in this section shall be expended by the house of representatives.

SECTION 3. Payment of expenses of the senate during the interim between the 2018 and 2019 regular sessions shall be made only with the approval of the president of the senate, and payment of expenses of the house of representatives during the interim between the 2018 and 2019 regular sessions shall be made only with the approval of the speaker of the house of representatives.

SECTION 4. Before January 16, 2019, the senate and the house of representatives shall each have their accounts audited, and a full report of the respective audits shall be presented to the senate and house of representatives convening on January 16, 2019.

SECTION 5. Unless otherwise prescribed by law, the expenses of any member of the legislature while traveling abroad on official business of the legislature shall be \$145 a day as authorized by the president of the senate and speaker of the house of representatives.

SECTION 6. There is appropriated out of the general revenues of the State of Hawaii the sum of \$3,157,127 or so much thereof as may be necessary to the office of the auditor for the following expenses:

- (1) The sum of \$3,007,127 for defraying the expenses of the office of the auditor during fiscal year 2018-2019; and
- (2) The sum of \$150,000 during fiscal year 2018-2019 for:
 - (A) Performing special studies;
 - (B) Improving capabilities for planning, programming, and budgeting;
 - (C) Fulfilling other special requests made of the auditor by the legislature or jointly by the president of the senate and the speaker of the house of representatives;
 - (D) Legislative studies and contractual services for those studies; and
 - (E) Such other purposes as may be determined by the joint action of the president of the senate and the speaker of the house of representatives.

The sum appropriated in this section shall be expended by the auditor.

SECTION 7. There is appropriated out of the general revenues of the State of Hawaii the sum of \$2,800,000 or so much thereof as may be necessary to the office of the auditor during fiscal year 2018-2019 to be deposited into the audit revolving fund established pursuant to section 23-3.6, Hawaii Revised Statutes.

SECTION 8. There is appropriated out of the audit revolving fund the sum of \$6,300,000 or so much thereof as may be necessary to the office of the auditor during fiscal year 2018-2019 for the office to conduct or complete its audit functions as provided by law.

The sum appropriated shall be expended by the auditor.

SECTION 9. There is appropriated out of the general revenues of the State of Hawaii the sum of \$3,707,995 or so much thereof as may be necessary to the legislative reference bureau for defraying the expenses of the legislative reference bureau during fiscal year 2018-2019, including equipment relating to computer systems programming and operations.

The sum appropriated in this section shall be expended by the legislative reference bureau.

SECTION 10. There is appropriated out of the general revenues of the State of Hawaii the sum of \$1,322,205 or so much thereof as may be necessary to the office of the ombudsman for defraying the expenses of the office during fiscal year 2018-2019.

The sum appropriated in this section shall be expended by the ombudsman.

SECTION 11. There is appropriated out of the general revenues of the State of Hawaii the sum of \$1,130,158 or so much thereof as may be necessary to the office of the state ethics commission for defraying the expenses of the office during fiscal year 2018-2019.

The sum appropriated in this section shall be expended by the state ethics commission.

SECTION 12. There is appropriated out of the general revenues of the State of Hawaii the following sums or so much thereof as may be necessary to be expended for the purpose of accrued vacation payments and vacation transfer payments for any employee leaving the employ of the senate, house of representatives, office of the auditor, legislative reference bureau, office of the ombudsman, and state ethics commission:

Expending Agency	Amount
Senate	\$185,000
House of Representatives	\$224,524
Office of the Auditor	\$68,106
Legislative Reference Bureau	\$26,810
Office of the Ombudsman	\$14,035
State Ethics Commission	\$16,553

provided that the appropriate expending agency shall first make payments from the vacation payout allocation before expending funds from turnover and vacancy amounts; and provided further that any unexpended funds shall lapse to the general fund on June 30, 2019.

SECTION 13. Except for moneys in the audit revolving fund, as of the close of business on June 30, 2019, the unexpended or unencumbered balance of any appropriation made by this Act shall lapse into the general fund.

SECTION 14. Each section of this Act is declared to be severable from the remainder of this Act.

SECTION 15. This Act shall take effect upon its approval.

(Approved February 20, 2018.)

A Bill for an Act Relating to Health.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that at least thirty states have considered enacting laws to allow mentally competent adult residents who have a terminal illness to voluntarily request and receive a prescription medication that would allow the person to die in a peaceful, humane, and dignified manner. Of these, five states — Oregon, Washington, California, Vermont, and Colorado — and the District of Columbia have passed legislation to allow this choice.

The legislature further finds that Hawaii patients who are terminally ill and mentally capable currently have access to options which can, in most cases, alleviate their suffering during the dying process. Palliative care, hospice care, VSED (voluntarily stopping eating and drinking), or stopping artificial ventilation or other life-sustaining therapy to allow a comfortable natural death are options currently available to terminally ill persons in Hawaii. However, physicians and other health care providers often do not offer these options to their patients. These options also do not always result in a quick or peaceful death.

The legislature has closely examined this issue a number of times over the past two decades. Following this long period of examination and debate, the legislature believes that it is appropriate to give patients the ability to choose their own medical care at the end of life and at the same time, ensure robust safeguards are in place to prevent any possible abuse. Therefore, the legislature believes that any legislation for patient choice must include all of the following protections for patients:

- (1) Confirmation by two health care providers of the patient's diagnoses, prognosis, and medical decision-making capacity, and the voluntariness of the patient's request;
- (2) Determination by a counselor that the patient is capable, and does not appear to be suffering from undertreatment or nontreatment of depression or other conditions which may interfere with the patient's ability to make an informed decision;
- (3) Two oral requests from the patient, separated by not less than twenty days; one signed written request that is witnessed by two people, one of whom must be unrelated to the patient; and one signed final attestation;
- (4) An additional waiting period between the written request and the writing of the prescription; and
- (5) The creation of strict criminal penalties for any person who:
 - (A) Tampers with a person's request for a prescription pursuant to this Act; or
 - (B) Coerces a person with a terminal illness to request a prescription.

In addition, the patient at all times shall retain the right to rescind the request for medication and be under no obligation to fill the prescription or use the medication.

These rigorous safeguards will be the strongest of any state in the nation and will protect patients and their loved ones from any potential abuse.

The legislature concludes that adult, terminally ill residents of the State can determine their own medical treatment as they near the end of life and should have a full complement of support services available, including palliative care, hospice care, aggressive medical care, and the right to choose to avoid

an unnecessarily prolonged life of pain and suffering. The choice elected by an individual must be fully informed, including about options for care that are presented and discussed with health care providers in a values-neutral manner.

The purpose of this Act is to allow qualified patients in this State with a medically confirmed terminal illness with less than six months to live and possessing decisional capacity to determine their own medical care at the end of their lives.

SECTION 2. This Act shall be known and may be cited as the “Our Care, Our Choice Act”.

SECTION 3. The Hawaii Revised Statutes is amended by adding a new chapter to be appropriately designated and to read as follows:

“CHAPTER OUR CARE, OUR CHOICE ACT

§ -1 **Definitions.** As used in this chapter:

“Adult” means an individual who is eighteen years of age or older.

“Attending provider” means a physician licensed pursuant to chapter 453 who has responsibility for the care of the patient and treatment of the patient’s terminal disease.

“Capable” means that in the opinion of the patient’s attending provider or consulting provider, psychiatrist, psychologist, or clinical social worker, a patient has the ability to understand the patient’s choices for care, including risks and benefits, and make and communicate health care decisions to health care providers.

“Consulting provider” means a physician licensed pursuant to chapter 453 who is qualified by specialty or experience to make a professional diagnosis and prognosis regarding the patient’s disease.

“Counseling” means one or more consultations, which may be provided through telehealth, as necessary between a psychiatrist licensed under chapter 453, psychologist licensed under chapter 465, or clinical social worker licensed pursuant to chapter 467E and a patient for the purpose of determining that the patient is capable, and that the patient does not appear to be suffering from undertreatment or nontreatment of depression or other conditions which may interfere with the patient’s ability to make an informed decision pursuant to this chapter.

“Department” means the department of health.

“Health care facility” shall have the same meaning as in section 323D-2.

“Health care provider” means a person licensed, certified, or otherwise authorized or permitted by the law of this State to administer health care or dispense medication in the ordinary course of business or practice of a profession.

“Informed decision” means a decision by a qualified patient to request and obtain a prescription to end the qualified patient’s life pursuant to this chapter. The informed decision shall be based on an appreciation of the relevant facts and made after being fully informed by the attending provider of:

- (1) The medical diagnosis;
- (2) The prognosis;
- (3) The potential risks associated with taking the medication to be prescribed;
- (4) The probable result of taking the medication to be prescribed;

- (5) The possibility that the individual may choose not to obtain the medication or may obtain the medication and may decide not to use it; and
- (6) The feasible alternatives or additional treatment opportunities, including but not limited to comfort care, hospice care, and pain control.

“Medically confirmed” means the medical opinion of the attending provider has been confirmed by a consulting provider who has examined the patient and the patient’s relevant medical records.

“Patient” means a person who is under the care of an attending provider.

“Physician” means a doctor of medicine or osteopathy licensed to practice medicine pursuant to chapter 453 by the Hawaii medical board.

“Prescription” means prescription medication or medications that the qualified patient may self-administer to end the qualified patient’s life pursuant to this chapter.

“Qualified patient” means a capable adult who is a resident of the State and has satisfied the requirements of this chapter in order to obtain a prescription to end the qualified patient’s life pursuant to this chapter.

“Self-administer” means an individual performing an affirmative, conscious, voluntary act to take into the individual’s body prescription medication to end the individual’s life pursuant to this chapter.

“Telehealth” shall have the same meaning as defined in section 453-1.3.

“Terminal disease” means an incurable and irreversible disease that has been medically confirmed and will, within reasonable medical judgment, produce death within six months.

“Terminal disease” does not include age or any physical disability or condition that is not likely to, by itself, cause death within six months.

§ -2 Oral and written requests for medication; initiated. An adult who is capable, is a resident of the State, and has been determined by an attending provider and consulting provider to be suffering from a terminal disease, and who has voluntarily expressed the adult’s wish to die, may, pursuant to section -9, submit:

- (1) Two oral requests, a minimum of twenty days apart; and
- (2) One written request,

for a prescription that may be self-administered for the purpose of ending the adult’s life in accordance with this chapter. The attending provider shall directly, and not through a designee, receive all three requests required pursuant to this section.

§ -3 Form of the written request. (a) A valid written request for a prescription under this chapter shall be substantially in the form described in section -23, and shall be signed and dated by the qualified patient and witnessed by at least two individuals who, in the presence of the qualified patient, attest that to the best of their knowledge and belief the qualified patient is of sound mind, acting voluntarily, and is not being coerced to sign the request.

- (b) One of the witnesses shall be a person who is not:
 - (1) A relative of the qualified patient by blood, marriage, or adoption;
 - (2) A person who at the time the request is signed would be entitled to any portion of the estate of the qualified patient upon death under any will, trust, or other legal instrument, or by operation of law; or
 - (3) An owner, operator, or employee of a health care facility where the qualified patient is receiving medical treatment or is a resident.

(c) The qualified patient's attending provider at the time the request is signed shall not be a witness.

§ -4 **Attending provider; duties.** (a) The attending provider shall:

- (1) Make the initial determination of whether a patient has a terminal disease, is capable of medical decision-making, and has made the request for the prescription voluntarily;
- (2) Require that the patient demonstrate residency pursuant to section -13;
- (3) To ensure that the patient is making an informed decision, inform the patient of the:
 - (A) Patient's medical diagnosis;
 - (B) Patient's prognosis;
 - (C) Potential risks associated with taking the medication to be prescribed;
 - (D) Probable result of taking the medication to be prescribed;
 - (E) Possibility that the individual may choose not to obtain the medication or may obtain the medication but may decide not to use it; and
 - (F) Feasible alternatives or additional treatment opportunities, including but not limited to comfort care, hospice care, and pain control;
- (4) Refer the patient to a consulting provider for medical confirmation of the diagnosis, and for a determination that the patient is capable and acting voluntarily;
- (5) Refer the patient for counseling;
- (6) Recommend that the patient notify next of kin;
- (7) Counsel the patient about the importance of having another person present when the qualified patient self-administers the prescription prescribed pursuant to this chapter and of not self-administering the prescription in a public place;
- (8) Inform the patient that a qualified patient may rescind the request at any time and in any manner, and offer the qualified patient an opportunity to rescind the request at the time of the qualified patient's second oral request made pursuant to section -9;
- (9) Verify, immediately prior to writing the prescription for medication under this chapter, that the qualified patient is making an informed decision;
- (10) Fulfill the medical record documentation requirements of section -12;
- (11) Ensure that all appropriate steps are carried out in accordance with this chapter prior to writing a prescription for medication to enable a qualified patient to end the qualified patient's life pursuant to this chapter; and
- (12) Either:
 - (A) Dispense medications directly, including ancillary medications intended to facilitate the desired effect to minimize the patient's discomfort; provided that the attending provider is authorized to dispense controlled substances pursuant to chapter 329, has a current Drug Enforcement Administration certificate, and complies with any applicable administrative rules; or
 - (B) With the qualified patient's written consent:
 - (i) Contact a pharmacist of the qualified patient's choice and inform the pharmacist of the prescription; and

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- (ii) Transmit the written prescription personally, by mail, or electronically to the pharmacist, who shall dispense the medication to either the qualified patient, the attending provider, or an expressly identified agent of the qualified patient.

(b) Notwithstanding any other provision of law, an attending provider may sign the qualified patient's death certificate. The death certificate shall list the terminal disease as the immediate cause of death.

§ -5 **Consulting provider; confirmation.** Before a patient is qualified under this chapter, a consulting provider shall examine the patient and the patient's relevant medical records and confirm, in writing, the attending provider's diagnosis that the patient is suffering from a terminal disease and the attending provider's prognosis, and verify that the patient is capable, is acting voluntarily, and has made an informed decision.

§ -6 **Counseling referral.** The attending provider shall refer the patient for counseling. No medication to end a patient's life pursuant to this chapter shall be prescribed until the person performing the counseling determines that the patient is capable, and does not appear to be suffering from undertreatment or nontreatment of depression or other conditions which may interfere with the patient's ability to make an informed decision pursuant to this chapter.

§ -7 **Informed decision.** No qualified patient shall receive a prescription for medication to end the qualified patient's life pursuant to this chapter unless the qualified patient has made an informed decision. Immediately prior to writing a prescription under this chapter, the attending provider shall verify that the qualified patient is making an informed decision.

§ -8 **Family notification.** The attending provider shall recommend that the qualified patient notify the qualified patient's next of kin of the request for a prescription pursuant to this chapter. A qualified patient who declines or is unable to notify next of kin shall not have the qualified patient's request denied solely for that reason.

§ -9 **Written and oral requests.** To receive a prescription for medication that a qualified patient may self-administer to end the qualified patient's life pursuant to this chapter, a qualified patient shall have made an oral request and a written request, and reiterate the oral request to the qualified patient's attending provider not less than twenty days after making the initial oral request. At the time the qualified patient makes the second oral request, the attending provider shall offer the qualified patient an opportunity to rescind the request.

§ -10 **Right to rescind request.** A qualified patient may rescind the request at any time and in any manner without regard to the qualified patient's mental state. No prescription under this chapter shall be made available pursuant to section -4(a)(12) if the attending provider has not offered the qualified patient an opportunity to rescind the request at the time of the second oral request made pursuant to section -9.

§ -11 **Waiting periods.** Not less than twenty days shall elapse between the qualified patient's initial oral request and the taking of steps to make available a prescription pursuant to section -4(a)(12). Not less than forty-eight

hours shall elapse between the qualified patient's written request and the taking of steps to make available a prescription pursuant to section -4(a)(12).

§ -12 **Medical record; documentation requirements.** The following shall be documented or filed in a qualified patient's medical record:

- (1) All oral requests by the qualified patient for a prescription to end the qualified patient's life pursuant to this chapter;
- (2) All written requests by the qualified patient for a prescription to end the qualified patient's life pursuant to this chapter;
- (3) The attending provider's diagnosis and prognosis and determination that the qualified patient is capable, acting voluntarily, and has made an informed decision;
- (4) The consulting provider's diagnosis and prognosis and verification that the qualified patient is capable, acting voluntarily, and has made an informed decision;
- (5) The counselor's statement of determination that the patient is capable, and does not appear to be suffering from undertreatment or nontreatment of depression or other conditions which may interfere with the patient's ability to make an informed decision pursuant to this chapter;
- (6) The attending provider's offer to the qualified patient to rescind the patient's request at the time of the qualified patient's second oral request made pursuant to section -9; and
- (7) A statement by the attending provider indicating that all requirements under this chapter have been met and indicating the steps taken to carry out the request, including identification of the medication prescribed.

§ -13 **Residency requirement.** Only requests made by residents of this State shall be granted under this chapter. Factors demonstrating state residency include but are not limited to:

- (1) Possession of a Hawaii driver's license or civil identification card;
- (2) Registration to vote in Hawaii;
- (3) Evidence that the patient owns or leases property in Hawaii; or
- (4) Filing of a Hawaii tax return for the most recent tax year.

§ -14 **Reporting requirements.** (a) Within thirty calendar days of writing a prescription, the attending provider shall submit a copy of the qualified patient's written request, as well as copy of all the documentation required pursuant to section -12 to the department.

(b) Within thirty calendar days following notification of the qualified patient's death from use of a prescribed medication pursuant to this chapter, or any other cause, the attending provider shall submit any follow-up information to the documentation required pursuant to section -12 to the department.

(c) The department shall annually collect and review all information submitted pursuant to this chapter. The information collected shall be confidential and shall be collected in such a manner that protects the privacy of all qualified patients, the qualified patients' family, and any attending provider, consulting provider, or counselor involved with a qualified patient pursuant to this chapter. Information collected pursuant to this section by the department shall not be disclosed, discoverable, or compelled to be produced in any civil, criminal, administrative, or other proceeding.

(d) On or before July 1, 2019, and each year thereafter, the department shall create a report of information collected under subsection (c) and vital sta-

tistics records maintained by the department and shall post the report on the department's website. Information contained in the report shall only include:

- (1) The number of qualified patients for whom a prescription was written pursuant to this chapter;
- (2) The number of known qualified patients who died each year for whom a prescription was written pursuant to this chapter and the cause of death of those qualified patients;
- (3) The total number of prescriptions written pursuant to this chapter for the year in which the report was created as well as cumulatively for all years beginning with 2019;
- (4) The total number of qualified patients who died while enrolled in hospice or other similar palliative care program;
- (5) The number of known deaths in Hawaii from a prescription written pursuant to this chapter per five-thousand deaths in Hawaii;
- (6) The number of attending providers who wrote prescriptions pursuant to this chapter;
- (7) Of the people who died as a result of self-administering a prescription pursuant to this chapter, the individual's:
 - (A) Age at death;
 - (B) Education level;
 - (C) Race;
 - (D) Sex;
 - (E) Type of insurance, if any; and
 - (F) Underlying illness; and
- (8) Any other data deemed appropriate by the department.

§ -15 **Disposal of unused medication.** A person who has custody or control of any unused medication dispensed under this chapter after the death of a qualified patient shall personally deliver the unused medication for disposal to the nearest qualified facility that properly disposes of controlled substances, or if none is available, shall dispose of it by lawful means.

§ -16 **Effect on construction of wills or contracts.** (a) No provision in any will or contract, or other agreement, whether written or oral, to the extent the provision would affect whether a person may make or rescind a request for a prescription to end the person's life pursuant to this chapter, shall be valid.

(b) No obligation owing under any currently existing contract shall be conditioned or affected by the making or rescinding of a request, by a person, for a prescription to end the person's life pursuant to this chapter.

§ -17 **Insurance or annuity policies.** The sale, procurement, or issuance of any life, health, or accident insurance or annuity policy or the rate charged for any such policy shall not be conditioned upon or affected by the making or rescinding of a request, by a person, for a prescription to end the person's life pursuant to this chapter. A qualified patient's act of using medication to end the qualified patient's life pursuant to this chapter shall have no effect upon a life, health, or accident insurance or annuity policy.

§ -18 **Construction of chapter.** (a) Nothing in this chapter shall be construed to authorize a health care provider, health care facility, or any other person to end a patient's life by lethal injection, mercy killing, or active euthanasia. Actions taken in accordance with this chapter shall not, for any purpose, constitute suicide, assisted suicide, mercy killing, murder, manslaughter, negligent homicide, or any other criminal conduct under the law.

(b) Nothing in this chapter shall be construed to allow a lower standard of care for qualified patients in the community where the qualified patient is treated or in a similar community.

§ -19 Immunities; basis for prohibiting health care provider from participation; notification; permissible sanctions. (a) Except as provided in section -20 and subsection (c):

- (1) No person shall be subject to civil or criminal liability or professional disciplinary action for participating or acting in good faith compliance with this chapter, including being present when a qualified patient self-administers the prescribed medication to end the qualified patient's life pursuant to this chapter;
- (2) No professional organization or association, health care provider, or health care facility shall subject any person to censure, discipline, suspension, loss of license, loss of privileges, loss of membership, or other penalty for participating or refusing to participate in good faith compliance with this chapter;
- (3) No request by a qualified patient for a prescription or provision by a health care provider of a prescription or medication in good faith compliance with this chapter shall constitute neglect, harm, self-neglect, or abuse for any purpose of law or provide the sole basis for the appointment of a guardian or conservator;
- (4) No health care provider or health care facility shall be under any duty, whether by contract, statute, or any other legal requirement, to participate in the provision to a qualified patient of a prescription or of medication to end the qualified patient's life pursuant to this chapter. If a health care provider is unable or unwilling to carry out a patient's request under this chapter and the patient transfers the patient's care to a new health care provider, the prior health care provider shall transfer, upon request, a copy of the patient's relevant medical records to the new health care provider; and
- (5) No health care facility shall be subject to civil or criminal liability for acting in good faith compliance with this chapter.

(b) Notwithstanding any other provision of law, a health care facility may prohibit a health care provider from participating in actions covered by this chapter on the premises of the health care facility if the health care facility has notified the health care provider of the health care facility's policy regarding participation in actions covered by this chapter. Nothing in this subsection shall prevent a health care provider from providing health care services to a patient that do not constitute participation in actions covered by this chapter.

(c) Subsection (a) notwithstanding, if the health care facility has notified the health care provider prior to participation in actions covered by this chapter that the health care facility prohibits participation on its premises in actions covered by this chapter, the health care facility may subject the health care provider to the following sanctions:

- (1) Loss of privileges, loss of membership, or other sanction provided pursuant to the medical staff bylaws, policies, and procedures of the health care facility if the health care provider is a member of the health care facility's medical staff and participates in actions covered by this chapter while on the premises of the health care facility other than in the private medical office of the health care provider;
- (2) Termination of lease or other property contract or other nonmonetary remedies provided by lease contract, not including loss or restriction of medical staff privileges or exclusion from a provider

panel, if the health care provider participates in actions covered by this chapter while on the premises of the health care facility or on property that is owned by or under the direct control of the health care facility; or

- (3) Termination of contract or other nonmonetary remedies provided by contract if the health care provider participates in actions covered by this chapter while acting in the course and scope of the health care provider's capacity as an employee or independent contractor of the health care facility; provided that nothing in this paragraph shall be construed to prevent:

- (A) A health care provider from participating in actions covered by this chapter while acting outside the course and scope of the health care provider's capacity as an employee or independent contractor; or

- (B) A patient from contracting with the patient's attending provider, consulting provider, or counselor to act outside the course and scope of those providers' capacity as an employee or independent contractor of the health care facility.

- (d) A health care facility that imposes sanctions pursuant to subsection (c) shall follow all due process and other procedures the health care facility may have that are related to the imposition of sanctions on a health care provider.

- (e) For the purposes of this section:

- "Notify" means to deliver a separate statement in writing to a health care provider specifically informing the health care provider prior to the health care provider's participation in actions covered by this chapter of the health care facility's policy regarding participation in actions covered by this chapter.

- "Participate in actions covered by this chapter" means to perform the duties of an attending provider pursuant to section -4, the consulting provider function pursuant to section -5, or the counseling referral function or counseling pursuant to section -6. The term does not include:

- (1) Making an initial determination that a patient has a terminal disease and informing the patient of the medical prognosis;
 - (2) Providing information about this chapter to a patient upon the request of the patient;
 - (3) Providing a patient, upon the request of the patient, with a referral to another physician; or
 - (4) Entering into a contract with a patient as the patient's attending provider, consulting provider, or counselor to act outside of the course and scope of the health care provider's capacity as an employee or independent contractor of a health care facility.

- (f) Action taken pursuant to sections -4 through -6 shall not be the sole basis for disciplinary action under sections 453-8, 465-13, or 467E-12.

§ -20 Prohibited acts; penalties. (a) Any person who intentionally makes, completes, alters, or endorses a request for a prescription made pursuant to section -2, for another person, or conceals or destroys any documentation of a rescission of a request for a prescription completed by another person, shall be guilty of a class A felony.

(b) Any person who knowingly coerces or induces a patient by force, threat, fraud, or intimidation to request a prescription pursuant to section -2, shall be guilty of a class A felony.

(c) Nothing in this section shall limit any liability for civil damages resulting from any intentional or negligent conduct by any person in violation of this chapter.

(d) The penalties in this chapter are cumulative and shall not preclude criminal penalties pursuant to other applicable state law.

§ -21 **Claims by governmental entity for costs incurred.** Any governmental entity that incurs costs resulting from a person terminating the person's life pursuant to this chapter in a public place shall have a claim against the estate of the person to recover costs and reasonable attorneys' fees related to enforcing the claim.

§ -22 **Severability.** Any provision of this chapter that is held invalid as to any person or circumstance shall not affect the application of any other provision of this chapter that can be given full effect without the invalid provision or application.

§ -23 **Form of the request.** A request for a prescription as authorized by this chapter shall be in substantially the following form:

"REQUEST FOR MEDICATION TO END MY LIFE

I, _____, am an adult of sound mind.

I am suffering from _____, which my attending provider has determined is a terminal disease and that has been medically confirmed by a consulting provider.

I have received counseling to determine that I am capable and not suffering from undertreatment or nontreatment of depression or other conditions which may interfere with my ability to make an informed decision.

I have been fully informed of my diagnosis, prognosis, the nature of medication to be prescribed and potential associated risks, the expected result, the possibility that I may choose not to obtain or not to use the medication, and the feasible alternatives or additional treatments, including comfort care, hospice care, and pain control.

I request that my attending provider prescribe medication that I may self-administer to end my life.

INITIAL ONE:

_____ I have informed my family of my decision and taken their opinions into consideration.

_____ I have decided not to inform my family of my decision.

_____ I have no family to inform of my decision.

I understand that I have the right to rescind this request at any time.

I understand the full import of this request and I expect to die when I take the medication to be prescribed. I further understand that although most deaths occur within three hours, my death may take longer and my attending provider has counseled me about this possibility.

I make this request voluntarily and without reservation, and I accept full moral responsibility for my actions.

Signed: _____

Dated: _____

DECLARATION OF WITNESSES

We declare that the person signing this request:

- (a) Is personally known to us or has provided proof of identity;
- (b) Signed this request in our presence;
- (c) Appears to be of sound mind and not under duress or to have been induced by fraud, or subjected to undue influence when signing the request; and

(d) Is not a patient for whom either of us is the attending provider.

Witness Date _____

Witness Date _____

NOTE: One witness shall not be a relative (by blood, marriage, or adoption) of the person signing this request, shall not be entitled to any portion of the person's estate upon death and shall not own, operate, or be employed at a health care facility where the person is a patient or resident."

§ -24 Form of final attestation. (a) A final attestation form shall be given to a qualified patient at the time an attending provider writes or dispenses the prescription authorized by this chapter and shall be in substantially the following form:

"FINAL ATTESTATION FOR A REQUEST FOR MEDICATION TO END MY LIFE

I, _____, am an adult of sound mind.

I am suffering from _____, which my attending provider has determined is a terminal disease and that has been medically confirmed by a consulting provider.

I have received counseling to determine that I am capable and not suffering from undertreatment or nontreatment of depression or other conditions which may interfere with my ability to make an informed decision.

I have been fully informed of my diagnosis, prognosis, the nature of medication to be prescribed and potential associated risks, the expected result, the possibility that I may choose not to obtain or not to use the medication, and the feasible alternatives or additional treatment options, including comfort care, hospice care, and pain control.

I understand that I am requesting that my attending provider prescribe medication that I may self-administer to end my life.

INITIAL ONE:

_____ I have informed my family of my decision and taken their opinions into consideration.

_____ I have decided not to inform my family of my decision.

_____ I have no family to inform of my decision.

I understand that I have the right to rescind this request at any time.

I understand that I still may choose not to use the medication prescribed and by signing this form I am under no obligation to use the medication prescribed.

I am fully aware that the prescribed medication will end my life and while I expect to die when I take the medication prescribed, I also understand that my death may not be immediate and my attending provider has counseled me about this possibility.

I make this request voluntarily and without reservation.

Signed: _____

Dated: _____"

(b) The final attestation form shall be completed by the qualified patient within forty-eight hours prior to the qualified patient self-administration of the medication prescribed pursuant to this chapter. Upon the qualified patient's death, the completed final attestation form shall be delivered by the qualified patient's health care provider, family member, or other representative to the attending provider for inclusion in the qualified patient's medical record.

§ -25 **Annual report.** The department shall submit to the legislature an annual report no later than twenty days prior to the convening of each regular session. The report shall include but not be limited to:

- (1) An annual analysis of the implementation of this chapter, including any implementation problems; and
- (2) Any proposed legislation.”

SECTION 4. Section 327E-13, Hawaii Revised Statutes, is amended by amending subsection (c) to read as follows:

“(c) This chapter shall not authorize mercy killing, assisted suicide, euthanasia, or the provision, withholding, or withdrawal of health care, to the extent prohibited by other statutes of this State[-]; provided that this subsection shall not apply to actions taken under chapter _____.”

SECTION 5. Section 327H-2, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

“(b) Nothing in this section shall be construed to:

- (1) Expand the authorized scope of practice of any licensed physician;
- (2) Limit any reporting or disciplinary provisions applicable to licensed physicians and surgeons who violate prescribing practices; and
- (3) Prohibit the discipline or prosecution of a licensed physician for:
 - (A) Failing to maintain complete, accurate, and current records that document the physical examination and medical history of a patient, the basis for the clinical diagnosis of a patient, and the treatment plan for a patient;
 - (B) Writing false or fictitious prescriptions for controlled substances scheduled in the Federal Comprehensive Drug Abuse Prevention and Control Act of 1970, 21 United States Code 801 et seq. or in chapter 329;
 - (C) Prescribing, administering, or dispensing pharmaceuticals in violation of the provisions of the Federal Comprehensive Drug Abuse Prevention and Control Act of 1970, 21 United States Code 801 et seq. or of chapter 329;
 - (D) Diverting medications prescribed for a patient to the licensed physician’s own personal use; and
 - (E) Causing, or assisting in causing, the suicide, euthanasia, or mercy killing of any individual; provided that [i]:
 - (i) It is not “causing, or assisting in causing, the suicide, euthanasia, or mercy killing of any individual” to prescribe, dispense, or administer medical treatment for the purpose of treating severe acute pain or severe chronic pain, even if the medical treatment may increase the risk of death, so long as the medical treatment is not also furnished for the purpose of causing, or the purpose of assisting in causing, death for any reason[-]; and
 - (ii) This subparagraph shall not apply to actions taken under chapter _____.”

SECTION 6. Section 707-701.5, Hawaii Revised Statutes, is amended by amending subsection (1) to read as follows:

“(1) Except as provided in section 707-701, a person commits the offense of murder in the second degree if the person intentionally or knowingly causes the death of another person[-]; provided that this section shall not apply to actions taken under chapter _____.”

ACT 3

SECTION 7. Section 707-702, Hawaii Revised Statutes, is amended by amending subsection (1) to read as follows:

“(1) A person commits the offense of manslaughter if:

- (a) The person recklessly causes the death of another person; or
- (b) The person intentionally causes another person to commit suicide[-]; provided that this section shall not apply to actions taken under chapter _____.”

SECTION 8. The department of health shall form an advisory group consisting of a designee of the department and no fewer than five other members, which shall include, at least, one palliative care specialist, hospice care specialist, medical educator, and a non-medical member of the community. The advisory group shall provide advice to the department to facilitate the implementation of chapter _____, Hawaii Revised Statutes, including:

- (1) The data set to be collected and tracked by the department;
- (2) The preparation of appropriate forms and checklists for use by attending providers, consulting providers, and counselors; and
- (3) Otherwise assisting the department with the implementation of chapter _____, Hawaii Revised Statutes.

SECTION 9. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

SECTION 10. If any provision of this Act, or the application thereof to any person or circumstance, is held invalid, the invalidity does not affect other provisions or applications of the Act that can be given effect without the invalid provision or application, and to this end the provisions of this Act are severable.

SECTION 11. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 12. This Act shall take effect on January 1, 2019; provided that section 8 shall take effect upon approval.

(Approved April 5, 2018.)

ACT 3

H.B. NO. 1653

A Bill for an Act Relating to Non-General Funds.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The purpose of this Act is to abolish the revolving funds for correctional facility stores account of the department of public safety, pursuant to the recommendation by the auditor in auditor’s report no. 17-11, and to transfer the unencumbered balances to the administrator/inmate activity account trust account.

SECTION 2. The revolving funds for correctional facility stores account is abolished and any remaining unencumbered balances shall lapse to the administrator/inmate activity account trust account.

SECTION 3. This Act shall take effect upon its approval.

(Approved April 24, 2018.)

ACT 4

H.B. NO. 2493

A Bill for an Act Relating to Epidemiologists.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. During the regular session of 2017, the legislature appropriated moneys to the department of health to establish an eleventh epidemiologist position. However, section 321-4.3, Hawaii Revised Statutes, limits the director of health to establishing only up to ten permanent or temporary positions for epidemiologists, without regard to chapter 76, Hawaii Revised Statutes.

The purpose of this Act is to amend section 321-4.3, Hawaii Revised Statutes, to provide the director of health with greater operational flexibility.

SECTION 2. Section 321-4.3, Hawaii Revised Statutes, is amended to read as follows:

“~~[[H]§321-4.3]~~ **Epidemiologists.** The department of health may establish ~~[up to ten]~~ permanent or temporary exempt positions known as epidemiologists for the purpose of investigating diseases and injuries which threaten the public health and safety. The positions shall be appointed by the director without regard to chapter 76.”

SECTION 3. Statutory material to be repealed is bracketed and stricken.

SECTION 4. This Act shall take effect upon its approval.

(Approved April 24, 2018.)

ACT 5

S.B. NO. 2939

A Bill for an Act Relating to Energy.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. In 2014, the public utilities commission issued a landmark white paper titled “Commission’s Inclinations on the Future of Hawaii’s Electric Utilities: Aligning the Utility Business Model with Customer Interests and Public Policy Goals”. The white paper offered “perspectives on the vision, business strategies and regulatory policy changes required to align the HECO Companies’ business model with customers’ interests and the state’s public policy goals.”

The legislature finds that improving the alignment of utility customer and company interests is critical to ensuring that Hawaii’s residents and businesses do not suffer economic and environmental harm from the State’s energy systems. At the same time, this realignment is critical to ensure the ongoing viability of the State’s regulated electric utilities, as they face increasing need to rapidly adapt business models and strategies that enable new innovations and customer choices.

Furthermore, the legislature finds that this realignment has entered a period of extraordinary urgency. The commission’s white paper noted that the State’s utilities must rapidly create a twenty-first century generation system, modernize transmission and distribution grids, and implement new rate structures in concert with changes to the outdated regulatory compact. The legislature agrees with the public utilities commission that “electric utilities need to

ACT 5

move with urgency to modernize the generation system on each island grid as delays are lost savings opportunities”.

To that end, some of the State’s utilities have recently proposed modernization plans. Those plans would ultimately result in a dramatic reduction in fossil fuel consumption, as fossil fuels are replaced by renewable energy resources. However, this change would be accompanied by an equally dramatic change in how utility revenues are expended. As fewer funds are spent to purchase fossil fuels, those funds will be redirected to capital projects. This is a benefit to residents and businesses, insofar as fixed-cost renewable energy projects can reduce the risk of consumers facing volatile fossil fuel costs. Renewable energy resources have also entered a new paradigm where in many cases they can lower energy costs in comparison to fossil fuel use.

However, the existing regulatory compact rewards utilities for increasing capital expenditures by basing allowed revenues on the value of the rate base, irrespective of utility performance. This same business and revenue model has been in place for over a century. The Wall Street Journal explained that “the more [utilities] spend, the more profits they earn”, and called this “a regulatory system that turns corporate accounting on its head”.

The legislature is concerned that the existing regulatory compact misaligns the interests of customers and utilities because it may result in a bias toward expending utility capital on utility-owned projects that may displace more efficient or cost-effective options, such as distributed energy resources owned by customers or projects implemented by independent third parties.

The legislature concludes that it must ensure a change to the regulatory compact to promote decisions and strategies that will maximize public benefit, reduce ratepayer risk, and meet Hawaii’s energy goals.

The legislature also finds that, although some utility performance incentives are being considered in existing dockets at the public utilities commission, any resulting performance incentives have not been transformative in urgently moving electric utilities toward the State’s ambitious energy policy goals. The legislature further finds that the responsibility for aligning investor-owned utility regulatory policies with customers’ interests and the State’s public policy goals is not limited to the public utilities commission, but more broadly rests with the state and county governments that represent the public interest. The regulatory framework under which utilities operate and the scope of regulation by the public utilities commission are established by the legislature, which holds the exclusive authority to issue, amend, or revoke franchise rights that permit utilities to operate in the State.

The purpose of this Act is to protect consumers by proactively ensuring that the existing utility business and regulatory model will be updated for the twenty-first century by requiring that electric utility rates be considered just and reasonable only if the rates are derived from a performance-based model for determining utility revenues.

SECTION 2. This Act shall be known as the Hawaii Ratepayer Protection Act.

SECTION 3. Chapter 269, Hawaii Revised Statutes, is amended by adding a new section to part I to be appropriately designated and to read as follows:

“§269- Performance incentive and penalty mechanisms. (a) On or before January 1, 2020, the public utilities commission shall establish performance incentives and penalty mechanisms that directly tie an electric utility revenues to that utility’s achievement on performance metrics and break the direct link

between allowed revenues and investment levels. The performance incentives and penalty mechanisms, as may be amended by the public utilities commission from time to time, shall apply to the regulation of electric utility rates under section 269-16.

(b) In developing performance incentive and penalty mechanisms, the public utilities commission's review of electric utility performance shall consider, but not be limited to, the following:

- (1) The economic incentives and cost-recovery mechanisms described in section 269-6(d);
- (2) Volatility and affordability of electric rates and customer electric bills;
- (3) Electric service reliability;
- (4) Customer engagement and satisfaction, including customer options for managing electricity costs;
- (5) Access to utility system information, including but not limited to public access to electric system planning data and aggregated customer energy use data and individual access to granular information about an individual customer's own energy use data;
- (6) Rapid integration of renewable energy sources, including quality interconnection of customer-sited resources; and
- (7) Timely execution of competitive procurement, third-party interconnection, and other business processes.

(c) This section shall not apply to a member-owned cooperative electric utility.”

SECTION 4. New statutory material is underscored.¹

SECTION 5. This Act shall take effect on July 1, 2018.

(Approved April 24, 2018.)

Note

1. Edited pursuant to HRS §23G-16.5.

ACT 6

H.B. NO. 1654

A Bill for an Act Relating to Non-General Funds.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The purpose of this Act is to abolish the office of community services special fund of the department of labor and industrial relations pursuant to the recommendation by the auditor in auditor's report no. 17-12 and to transfer the unencumbered balances to the general fund.

SECTION 2. The office of community services special fund is abolished and any remaining unencumbered balance shall lapse to the general fund.

SECTION 3. This Act shall take effect on July 1, 2018.

(Approved April 24, 2018.)

A Bill for an Act Relating to Collective Bargaining.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 89-4, Hawaii Revised Statutes, is amended to read as follows:

“§89-4 Payroll deductions. (a) Upon receiving from an exclusive representative a written statement specifying the amount of regular dues required of its members in the appropriate bargaining unit, the employer shall deduct this amount from the payroll of every member employee in the appropriate bargaining unit and remit the amount to the exclusive representative. Additionally, the employer shall deduct an amount equivalent to the regular dues from the payroll of every nonmember employee in the appropriate bargaining unit, and shall remit the amount to the exclusive representative; provided that the deduction from the payroll of every nonmember employee shall be made only for an exclusive representative ~~[which]~~ that provides for a procedure for determining the amount of a refund to any employee who demands the return of any part of the deduction ~~[which]~~ that represents the employee’s pro rata share of expenditures made by the exclusive representative for activities of a political and ideological nature unrelated to terms and conditions of employment. If a nonmember employee objects to the amount to be refunded, the nonmember employee may petition the board for review thereof within fifteen days after notice of the refund has been received. If an employee organization is no longer the exclusive representative of the appropriate bargaining unit, the deduction from the payroll of members and nonmembers shall terminate.

(b) The employer shall, upon written authorization by an employee, executed at any time after the employee’s joining an employee organization, deduct from the payroll of the employee the amount of membership dues, initiation fees, group insurance premiums, and other association benefits and shall remit the amount to the employee organization designated by the employee.

(c) The employer shall continue all payroll assignments authorized by an employee prior to July 1, 1970, and all assignments authorized under subsection (b) until the employee provides written notification [is submitted by an employee] within thirty days before the anniversary date of the employee’s execution of the written authorization under subsection (b), to the employee’s exclusive representative to discontinue the employee’s assignments. The employee’s exclusive representative shall provide a copy of the employee’s written notification to the employer within ten business days of receipt from the employee.

(d) If any provision of this section, or application thereof to any person or circumstances, is held invalid, the remainder of the section, or the application of the provision to other persons or circumstances, shall not be affected thereby.”

SECTION 2. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 3. This Act shall take effect upon its approval.

(Approved April 24, 2018.)

ACT 8

H.B. NO. 1624

A Bill for an Act Relating to Insurance.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Act 152, Session Laws of Hawaii 2017, is amended by amending section 12 to read as follows:

“SECTION 12. This Act shall take effect on July 1, 2017; provided that sections 7, 8, and 9 shall take effect on [~~January 1, 2019.~~] January 1, 2020.”

SECTION 2. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 3. This Act shall take effect on July 1, 2018.

(Approved May 1, 2018.)

ACT 9

H.B. NO. 2275

A Bill for an Act Relating to the Hawaii Community Development Authority.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Chapter 206E, Hawaii Revised Statutes, is amended by adding a new section to part II to be appropriately designated and to read as follows:

“§206E- Roads; county standards. (a) Any owner or owners who charge a fee for the use of all or any portion of a private street, highway, or thoroughfare that is located within the Kakaako community development district and used continuously by the general public for a period of not less than six months, shall be responsible for the costs of conforming and maintaining that private street, highway, or thoroughfare to meet the construction and maintenance standards established for county highways, pursuant to section 46-1.5(19)(A) and section 265A-1 by the county in which the development district is located.

(b) Private streets, highways, or thoroughfares used solely by the owner or employees of the owner shall be exempt from this section.”

SECTION 2. New statutory material is underscored.¹

SECTION 3. This Act shall take effect upon its approval, and shall be repealed on June 30, 2023.

(Approved May 1, 2018.)

Note

1. Edited pursuant to HRS §23G-16.5.

ACT 10

H.B. NO. 2114

A Bill for an Act Relating to Collective Bargaining.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 89-9, Hawaii Revised Statutes, is amended by amending subsection (d) to read as follows:

ACT 11

“(d) Excluded from the subjects of negotiations are matters of classification, reclassification, benefits of but not contributions to the Hawaii employer-union health benefits trust fund, recruitment, examination, initial pricing, and retirement benefits except as provided in section 88-8(h). The employer and the exclusive representative shall not agree to any proposal [~~which~~] that would be inconsistent with the merit principle or the principle of equal pay for equal work pursuant to section 76-1 or [~~which~~] that would interfere with the rights and obligations of a public employer to:

- (1) Direct employees;
- (2) Determine qualifications, standards for work, and the nature and contents of examinations;
- (3) Hire, promote, transfer, assign, and retain employees in positions;
- (4) Suspend, demote, discharge, or take other disciplinary action against employees for proper cause;
- (5) Relieve an employee from duties because of lack of work or other legitimate reason;
- (6) Maintain efficiency and productivity, including maximizing the use of advanced technology, in government operations;
- (7) Determine methods, means, and personnel by which the employer’s operations are to be conducted; and
- (8) Take [~~such~~] actions as may be necessary to carry out the missions of the employer in cases of emergencies.

This subsection shall not be used to invalidate provisions of collective bargaining agreements in effect on and after June 30, 2007, and except as otherwise provided in this chapter, shall not preclude negotiations over the implementation of management decisions that affect terms and conditions of employment that are subject to collective bargaining. Further, this subsection shall not preclude negotiations over the procedures and criteria on promotions, transfers, assignments, demotions, layoffs, suspensions, terminations, discharges, or other disciplinary actions as [a permissive subject] subjects of bargaining during collective bargaining negotiations or negotiations over a memorandum of agreement, memorandum of understanding, or other supplemental agreement[-]; provided that such obligation shall not compel either party to agree to a proposal or make a concession.

Violations of the procedures and criteria so negotiated may be subject to the grievance procedure in the collective bargaining agreement.”

SECTION 2. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 3. This Act shall take effect upon its approval.

(Approved May 1, 2018.)

ACT 11

H.B. NO. 2587

A Bill for an Act Relating to Taxation.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 46-16.8, Hawaii Revised Statutes, is amended by amending subsection (c) to read as follows:

“(c) Each county that has not established a surcharge on state tax prior to July 1, 2015, may establish the surcharge at the rates enumerated in sections

237-8.6 and 238-2.6. A county electing to establish this surcharge shall do so by ordinance; provided that:

- (1) No ordinance shall be adopted until the county has conducted a public hearing on the proposed ordinance;
- (2) The ordinance shall be adopted prior to March 31, ~~[2018;]~~ 2019; and
- (3) No county surcharge on state tax that may be authorized under this subsection shall be levied prior to January 1, 2019, or after December 31, 2030.

A county electing to exercise the authority granted under this subsection shall notify the director of taxation within ten days after the county has adopted a surcharge on state tax ordinance. Beginning on January 1, 2019, or January 1, 2020, as applicable pursuant to sections 237-8.6 and 238-2.6, the director of taxation shall levy, assess, collect, and otherwise administer the county surcharge on state tax."

SECTION 2. Section 237-8.6, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

"(b) Each county surcharge on state tax that may be adopted or extended pursuant to section 46-16.8 shall be levied beginning in a taxable year after the adoption of the relevant county ordinance; provided that no surcharge on state tax may be levied:

- (1) Prior to:
 - (A) January 1, 2007, if the county surcharge on state tax was established by an ordinance adopted prior to December 31, 2005; ~~[or]~~
 - (B) January 1, 2019, if the county surcharge on state tax was established by the adoption of an ordinance after June 30, 2015, but prior to ~~[March 31,]~~ June 30, 2018; [and] or
 - (C) January 1, 2020, if the county surcharge on state tax was established by the adoption of an ordinance on or after June 30, 2018, but prior to March 31, 2019; and
- (2) After December 31, 2030."

SECTION 3. Section 238-2.6, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

"(b) Each county surcharge on state tax that may be adopted or extended shall be levied beginning in a taxable year after the adoption of the relevant county ordinance; provided that no surcharge on state tax may be levied:

- (1) Prior to:
 - (A) January 1, 2007, if the county surcharge on state tax was established by an ordinance adopted prior to December 31, 2005; ~~[or]~~
 - (B) January 1, 2019, if the county surcharge on state tax was established by the adoption of an ordinance after June 30, 2015, but prior to ~~[March 31,]~~ June 30, 2018; [and] or
 - (C) January 1, 2020, if the county surcharge on state tax was established by the adoption of an ordinance on or after June 30, 2018, but prior to March 31, 2019; and
- (2) After December 31, 2030."

SECTION 4. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 5. This Act shall take effect upon its approval.

(Approved May 4, 2018.)

A Bill for an Act Relating to the State Budget.

Be It Enacted by the Legislature of the State of Hawaii:

PART I

SECTION 1. Notwithstanding the provisions of chapter 328L, Hawaii Revised Statutes, all non-participating manufacturer adjustment moneys received by the State in calendar year 2018 that relate to compliance with the tobacco master settlement agreement from calendar years 2004 to 2017 and have been withheld from the State during any disputed years shall be deposited into the emergency and budget reserve fund established pursuant to section 328L-3, Hawaii Revised Statutes.

SECTION 2. The legislature enacted Act 84, Session Laws of Hawaii 2015, which converted funding for department of land and natural resources programs from special funds to general funds. The legislature finds that there is \$15,307,518 unencumbered in the natural area reserve fund, established under section 195-9, Hawaii Revised Statutes. On July 1, 2018, the director of finance shall transfer from the natural area reserve fund to the general fund the sum of \$15,307,518 or so much thereof as may be necessary for fiscal year 2018-2019.

SECTION 3. The legislature finds that there is at least \$18,929,462 in excess of the requirements of the tobacco settlement special fund. Notwithstanding the provisions of chapter 328L, Hawaii Revised Statutes, this sum shall be utilized to provide revenue to the Hawaii tobacco prevention and control trust fund, established under section 328L-5, Hawaii Revised Statutes, and the university revenue-undertakings fund, established under section 304A-2167.5, Hawaii Revised Statutes, to supplant any losses that result from any discount or reduction taken against regular master settlement agreement payments received by the State between calendar year 2018 and calendar year 2022; provided that the Hawaii tobacco prevention and control trust fund shall have priority over other programs in the event that any remaining sums are insufficient to supplant reductions.

PART II

SECTION 4. The legislature finds that the county of Kauai and portions of the city and county of Honolulu suffered a disastrous occurrence of heavy rains and flooding in April 2018, that caused extensive damage to the slopes adjacent to Kuhio Highway and impacted the communities of Wainiha, Haena, and other regions in the county of Kauai, as well as other areas of the State, thereby endangering the health, safety, and welfare of the people. This severe, sudden, and extraordinary weather event of heavy rains and flooding has caused damage, losses, and suffering, which has affected the health, welfare, and living conditions of a substantial number of persons, and is of such a serious nature as to warrant rehabilitative assistance from the State.

The purpose of this part is to appropriate funds to the department of defense for disaster relief efforts in the county of Kauai and other areas of the State that have been adversely impacted by the extraordinary weather event that occurred in April 2018.

SECTION 5. There is appropriated out of the general revenues of the State of Hawaii the sum of \$100,000,000 or so much thereof as may be necessary for fiscal year 2017-2018 to protect the health, safety, and welfare of the people, and provide relief from disaster damages, losses, and suffering caused by the extraordinary weather event that produced torrential rains and resultant flooding in the county of Kauai in April 2018.

The sum appropriated shall be allotted to the department of defense and expended by the adjutant general solely for the express stated purposes of this part; provided that the moneys appropriated pursuant to this section shall not lapse at the end of the fiscal year for which the moneys have been appropriated; provided further that any moneys appropriated pursuant to this section that are unencumbered as of June 30, 2019, shall lapse on that date.

SECTION 6. There is appropriated out of the general revenues of the State of Hawaii the sum of \$25,000,000 or so much thereof as may be necessary for fiscal year 2017-2018 to protect the health, safety, and welfare of the people, and provide relief from disaster damages, losses, and suffering caused by the extraordinary weather event that produced torrential rains and resultant flooding in areas of the State other than the county of Kauai in April 2018.

The sum appropriated shall be allotted to the department of defense and expended by the adjutant general solely for the express stated purposes of this part; provided that the moneys appropriated pursuant to this section shall not lapse at the end of the fiscal year for which the moneys have been appropriated; provided further that any moneys appropriated pursuant to this section that are unencumbered as of June 30, 2019, shall lapse on that date.

SECTION 7. (a) Moneys appropriated pursuant to this part shall be expended in accordance with section 127A-12(b), Hawaii Revised Statutes, as the adjutant general and governor deem appropriate.

(b) The appropriations and expenditures made pursuant to this part shall not be subject to the expenditure limitations established in section 127A-16, Hawaii Revised Statutes.

PART III

SECTION 8. This Act shall take effect upon its approval.

(Approved May 10, 2018.)

ACT 13

S.B. NO. 270

A Bill for an Act Relating to Minors.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that the American Psychological Association convened a task force on appropriate therapeutic responses to sexual orientation. The task force conducted a systematic review of peer-reviewed journal literature on sexual orientation change efforts. The task force concluded that sexual orientation change efforts are unlikely to be successful and involve risk of harm to lesbian, gay, and bisexual individuals, including depression, suicidality, loss of sexual feeling, anxiety, shame, negative self-image, and other negative feelings and behaviors. The legislature further finds that children and adolescents who participate in these types of sexual orientation change efforts, which

often use fear-based techniques, are given inaccurate scientific information regarding sexual orientation and gender identity and are also at risk of increased self-stigma and psychological distress.

The legislature additionally finds that sexual orientation change efforts are opposed by the country's leading medical and mental health professional organizations, including the American Psychological Association, American Medical Association, American Academy of Pediatrics, American Psychiatric Association, National Association of Social Workers, American College of Obstetricians and Gynecologists, and American Academy of Child and Adolescent Psychiatry.

The purpose of this Act is to:

- (1) Protect the physical and psychological well-being of minors, including lesbian, gay, bisexual, and transgender youth, against exposure to serious harms caused by sexual orientation change efforts by regulating the conduct of specific state-licensed persons who provide professional counseling to minors under the age of eighteen and prohibiting these professionals from engaging in, attempting to engage in, or advertising the offering of sexual orientation change efforts on persons under eighteen years of age; and
- (2) Establish the sexual orientation counseling task force to address the concerns of minors seeking counseling on sexual orientation, gender identity, gender expressions, and related behaviors.

SECTION 2. The Hawaii Revised Statutes is amended by adding a new chapter to title 25 to be appropriately designated and to read as follows:

**“CHAPTER
SEXUAL ORIENTATION CHANGE EFFORTS**

§ -1 Sexual orientation change efforts prohibited; advertising prohibited. (a) No person who is licensed to provide professional counseling shall:

- (1) Engage in or attempt to engage in sexual orientation change efforts on a person under eighteen years of age; or
- (2) Advertise the offering of sexual orientation change efforts on a person under eighteen years of age.

(b) Any person who is licensed to provide professional counseling who engages in or attempts to engage in the offering of sexual orientation change efforts on a person under eighteen years of age shall be subject to disciplinary action by the appropriate professional licensing authority.

(c) For purposes of this section:

“Advertise” means a communication made by or on behalf of a person who is licensed to provide professional counseling, made for the purpose of inducing or promoting a professional counseling relationship in which sexual orientation change efforts will be undertaken on a person under the age of eighteen. “Advertise” includes oral, written, graphic, or pictorial statements or representations, including those made through any electronic or print medium.

“Person who is licensed to provide professional counseling” means a person who performs counseling as part of the person's professional training, including a physician, especially one practicing psychiatry, licensed pursuant to chapter 453; psychologist licensed pursuant to chapter 465; nurse licensed pursuant to chapter 457; social worker licensed pursuant to chapter 467E; licensed mental health counselor licensed pursuant to chapter 453D; or licensed marriage and family therapist licensed pursuant to chapter 451J.

“Sexual orientation change efforts” means the practice of attempting to change a person’s sexual orientation, including but not limited to efforts to change gender identity or gender expressions and behaviors; or to reduce or eliminate sexual or romantic attractions or feelings toward a person of the same gender.

“Sexual orientation change efforts” shall not include counseling supporting a person seeking to transition from one gender to another or counseling that:

- (1) Provides acceptance, support, and understanding of a person or facilitates a person’s coping, social support, and identity exploration and development, including sexual orientation-neutral interventions to prevent or address unlawful conduct or unsafe sexual practices; and
- (2) Does not seek to change sexual orientation, gender identity, or gender expression.”

SECTION 3. (a) There is established within the department of health, the sexual orientation counseling task force. The task force shall address the concerns of minors seeking counseling on sexual orientation, gender identity, gender expressions, and related behaviors. The task force shall submit a report with findings and recommendations, including proposed legislation, to the legislature no later than twenty days prior to the convening of the regular session of 2019. The report shall address and include:

- (1) Current counseling practices in Hawaii and nationwide for minors, including counseling on sexual orientation, gender identity, gender expression, and related behaviors;
- (2) Studies by nationally accredited institutions or government agencies regarding the availability of counseling for minors on issues regarding sexual orientation, gender identity, gender expression, and related behaviors;
- (3) An analysis of the availability of minor-initiated counseling on sexual orientation, gender identity, gender expression, and related behaviors; and
- (4) Proposed legislation to provide accessible and appropriate counseling to minors on issues regarding sexual orientation, gender identity, gender expression, and related behaviors.

(b) The director of health, or the director’s designee, shall be the chair of the sexual orientation counseling task force. The task force shall include:

- (1) Three members to be selected by the governor; provided that two members shall be from the mental health industry;
- (2) Two members to be selected by the president of the senate;
- (3) Two members to be selected by the speaker of the house of representatives;
- (4) Two members to be selected by the director of health;
- (5) Two members to be selected by the superintendent of education; and
- (6) One member to be selected by the attorney general.

(c) The members of the task force shall serve without compensation, but shall be reimbursed by the department of health for necessary expenses, including travel expenses, incurred for service on the task force. No member of the task force shall be made subject to section 84-17, Hawaii Revised Statutes, solely because of that member’s participation on the task force. The task force shall be exempt from chapter 92, Hawaii Revised Statutes.

(d) The sexual orientation counseling task force shall dissolve on June 30, 2019.

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SECTION 4. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

SECTION 5. If any provision of this Act, or the application thereof to any person or circumstance, is held invalid, the invalidity does not affect other provisions or applications of the Act that can be given effect without the invalid provision or application, and to this end the provisions of this Act are severable.

SECTION 6. This Act shall take effect on July 1, 2018.

(Approved May 25, 2018.)

ACT 14

H.B. NO. 2501

A Bill for an Act Relating to the University of Hawaii Community College Promise Program.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. An educated labor force and engaged citizenry are essential in today's global, knowledge-based economy. Across the nation, states have set ambitious goals to boost college completion rates. The University of Hawaii's graduation initiative is a systemwide strategic initiative, endorsed by the University of Hawaii board of regents, with a goal to increase the educational capital of the State by increasing participation in, and completion of, college by students, particularly Native Hawaiians, low-income students, and those from underserved regions and populations, and preparing them for success in the workforce and their communities.

Moneys allocated for the University of Hawaii's community college promise program in the state budget in 2017 helped provide scholarship opportunities to one thousand community college students. This success demonstrates that the permanent establishment of the program is warranted at the community college level.

The State's 55 by '25 campaign goal focuses on increasing the percentage of working-age adults with two- or four-year degrees to fifty-five per cent by 2025. According to the most recent data available, forty-four per cent of Hawaii's working age adults have a postsecondary degree. As the State's sole system of public higher education, the University of Hawaii is committed to doing its part to close the State's projected educational attainment gap.

In April 2016, the Institute for Research on Higher Education at the University of Pennsylvania Graduate School of Education issued a study that analyzed college costs in relation to family income level. The study revealed how the cost of higher education has changed from expensive to unaffordable for most low- and middle-income families. According to the study, Hawaii ranked third in the nation for overall college affordability. The study also noted that the University of Hawaii community colleges are the most affordable public two-year institutions in the nation.

However, the study acknowledged that despite Hawaii's overall high affordability ranking, attending college was a large expense for families earning less than \$30,000 annually; that Hawaii's financial aid policies did little to alleviate costs for these families; and that the State provided minimal need-based aid to students attending public institutions.

University of Hawaii policy requires that a minimum percentage of tuition revenue be set aside for need-based scholarships, including 8.8 per cent at the community colleges. The University of Hawaii provided \$6,300,000 in tuition-funded financial aid at the community colleges during the 2014-2015 school year. Despite financial aid from sources such as Pell grants, University of Hawaii and private scholarships, the GI Bill for service members and veterans, and employers, cost still poses a barrier for certain students with financial need.

The purpose of this Act is to address a statewide concern by codifying the Hawaii community college promise program to provide scholarships for the unmet direct cost needs of qualified students enrolled at any University of Hawaii community college campus and by appropriating funds to establish and implement the program.

SECTION 2. Chapter 304A, Hawaii Revised Statutes, is amended by adding a new section to part II, subpart B, to be appropriately designated and to read as follows:

“§304A-A Hawaii community college promise program; established. (a) Notwithstanding section 304A-501, there is established the Hawaii community college promise program to be administered by the board of regents. The program shall provide scholarships for the unmet direct cost needs of qualified students enrolled at any community college campus of the University of Hawaii.

(b) A student enrolled at a community college campus shall be eligible for scholarship consideration for a maximum of eight semesters if the student:

- (1) Qualifies for Hawaii resident tuition;
- (2) Completes and submits the Free Application for Federal Student Aid for each academic year and accepts all federal and state aid, grants, scholarships, and other funding sources that do not require repayment;
- (3) Is enrolled in a classified degree or certificate program with six or more credits per semester;
- (4) Maintains satisfactory academic progress, as defined by federal requirements established pursuant to Title IV of the Higher Education Act of 1965, as amended, and determined by the campus at which the student is enrolled; and
- (5) Has been determined by the campus to have unmet direct cost needs.

(c) Scholarships shall be awarded to the extent possible based on available funds and on a greatest need basis. An award granted to a student shall be equal to the student’s unmet direct cost need, based on the Free Application for Federal Student Aid calculation of need, less the amounts available to the student from Pell grants and other scholarships.

(d) To maintain a scholarship under this section, a student shall meet the requirements of subsection (b)(4).

(e) As used in this section, “direct cost” means any cost directly related to a student’s education, including tuition; educational fees; and the costs of books, supplies, and transportation between the student’s dwelling and the student’s campus.”

SECTION 3. Chapter 304A, Hawaii Revised Statutes, is amended by adding a new section to part V, subpart B, to be appropriately designated and to read as follows:

“§304A-B Hawaii community college promise program subaccount. (a) There is established the Hawaii community college promise program subaccount

ACT 15

within the University of Hawaii general fund. Moneys in the subaccount shall be used to provide financial assistance to qualified students through Hawaii community college promise program scholarships under section 304A-A.

(b) The University of Hawaii shall submit a report to the legislature no later than twenty days prior to the convening of each regular session regarding the subaccount. The report shall include but not be limited to the number of scholarships provided under the Hawaii community college promise program during the preceding year.

(c) This subaccount is not intended to provide loans or keep track of payback provisions.”

SECTION 4. There is appropriated out of the general revenues of the State of Hawaii the sum of \$700,000 or so much thereof as may be necessary for fiscal year 2018-2019 to be deposited into the Hawaii community college promise program subaccount.

SECTION 5. There is appropriated out of the Hawaii community college promise program subaccount the sum of \$700,000 or so much thereof as may be necessary for fiscal year 2018-2019 to establish and implement the Hawaii community college promise program, including the provision of the program’s scholarships, at the community college campuses of the University of Hawaii.

The sum appropriated shall be expended by the University of Hawaii for the purposes of this Act.

SECTION 6. In codifying the new sections added by sections 2 and 3 of this Act, the revisor of statutes shall substitute appropriate section numbers for the letters used in designating the new sections in this Act.

SECTION 7. New statutory material is underscored.¹

SECTION 8. This Act shall take effect on July 1, 2018.

(Approved June 1, 2018.)

Note

1. Edited pursuant to HRS §23G-16.5.

ACT 15

H.B. NO. 2182

A Bill for an Act Relating to Environmental Protection.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that, according to the Hawaii Sea Level Rise Vulnerability and Adaptation Report released in December 2017, Hawaii could suffer \$19,000,000,000 in damage due to projected sea level rise. Worldwide, natural disasters are becoming more severe and frequent. In the United States alone, natural disasters inflicted a record \$306,000,000,000 worth of damage, breaking the previous record by almost \$100,000,000. Rising global temperatures threaten biodiversity in every ecosystem, and habitat loss grows as higher temperatures permanently change the life cycles of plants and animals.

The legislature further finds that Hawaii is committed to mitigating climate change, including its commitment to have a one hundred per cent renewable

energy portfolio by 2045. Mayors from each county of the State have pledged to end the State's dependence on fossil fuels by eliminating fossil fuels from ground transportation by 2045. By legally binding itself to these benchmarks, Hawaii became the first state in the nation to send a clear message to the world that our citizens are determined to secure their energy future and climate health. The legislature notes that Hawaii, as part of the United States Climate Alliance, joined leaders from every other country on earth and committed to upholding the objectives of the 2015 Paris Agreement.

In Act 32, Session Laws of Hawaii 2017, the legislature recognized that climate change is real and poses a serious threat to the State's economy, sustainability, and natural resources. In Act 32, the State committed to expanding strategies and mechanisms to reduce greenhouse gas emissions statewide, striving to formulate and communicate long-term low greenhouse gas emission development strategies, and taking actions to conserve and enhance long-term sinks and reservoirs of greenhouse gases, by prioritizing the development of parks, greenways, and restoration of native upland and coastal forests and wetlands.

Greenhouse gas sequestration presents ample opportunities for foreign investment in the State's economy. Airlines have demonstrated a desire to invest globally-required carbon offset dollars in Hawaii's environmental projects, as well in as other carbon markets such as California. Companies, governments, and other individuals would also like to offset their carbon footprint by investing in environmental projects such as renewable energies. This interest presents tremendous opportunities for local businesses, agriculture, and communities in general. In Act 33, Session Laws of Hawaii 2017, the State established the carbon farming task force to gain a more thorough understanding of how agricultural land management practices can sequester carbon, provide greenhouse gas benefits, and decrease marine sedimentation. The legislature finds that a parallel effort is needed to examine ways to add green canopy to urban areas to curb rising temperatures that have hospitalized and killed residents of this State.

Accordingly, the purpose of this Act is to:

- (1) Repeal Act 33, Session Laws of Hawaii 2017 (Act 33), and create a new task force named as the greenhouse gas sequestration task force which has similar aims as the carbon farming task force created by Act 33, but expands and makes it permanent;
- (2) Align the State's clean energy and carbon sequestration efforts with climate initiative goals, and require that a member of the greenhouse gas sequestration task force also be a member of the climate change mitigation and adaptation commission; and
- (3) Expand the mission of the greenhouse gas sequestration task force by requiring that the task force examine opportunities to exploit carbon sequestering trees and vegetation to reduce urban temperatures and thereby protect public health.

SECTION 2. Chapter 225P, Hawaii Revised Statutes, is amended by adding two new sections to be appropriately designated and to read as follows:

“§225P-A Greenhouse gas sequestration task force. (a) The greenhouse gas sequestration task force is established within the office of planning for administrative purposes only. The task force shall have the following objectives:

- (1) Work with public and private stakeholders to establish a baseline for greenhouse gas emissions within Hawaii and short- and long-term benchmarks for increasing greenhouse gas sequestration in the State's agricultural and natural environment;

- (2) Identify appropriate criteria to measure baseline levels and increases in greenhouse gas sequestration, improvements in soil health, increases in agricultural and aquacultural product yield and quality attributable to greenhouse gas sequestration and improvements in soil health, and other key indicators of greenhouse gas benefits from beneficial agricultural and aquacultural practices that may be used to create a certification program for promoting agricultural and aquacultural practices that generate greenhouse gas benefits and agricultural and aquacultural production benefits;
- (3) Identify land and marine use policies, agricultural policies, agroforestry policies, and mitigation options that would encourage agricultural and aquacultural practices and land use practices that would promote increased greenhouse gas sequestration, build healthy soils, and provide greenhouse gas benefits;
- (4) Identify ways to increase the generation and use of compost in Hawaii to build healthy soils;
- (5) Identify practices and policies that add trees or vegetation to expand the urban tree canopy in urban areas to reduce ambient temperatures, increase climate resiliency, and improve greenhouse gas sequestration in Hawaii; and
- (6) Make recommendations to the legislature and governor regarding measures that would increase climate resiliency, build healthy soils, provide greenhouse gas benefits, or cool urban areas.

(b) In addition to the objectives listed in subsection (a), the task force may consider:

- (1) Developing incentives and funding mechanisms for these incentives, including but not limited to:
 - (A) Loans, tax credits, or grants;
 - (B) Research;
 - (C) Technical assistance; or
 - (D) Educational materials and outreach,to participating agricultural activities, aquacultural activities, or on-farm demonstration projects that are identified and approved by the task force as those that would promote greenhouse gas benefits, build healthy soils, sequester carbon, increase water-holding capacity, and increase crop yields; and
- (2) Providing for research, education, and technical support for agricultural activities and aquacultural activities identified by the task force.

(c) The membership of the greenhouse gas sequestration task force shall be as follows:

- (1) The director of the office of planning or the director's designee, who shall serve as chairperson;
- (2) The chairperson of the board of agriculture or the chairperson's designee;
- (3) The chairperson of the board of land and natural resources or the chairperson's designee;
- (4) The director of transportation or the director's designee;
- (5) The deputy director of the department of health's environmental health administration or the deputy director's designee;
- (6) The director of the office of environmental quality control or the director's designee;
- (7) The director of the environmental law program at the University of Hawaii at Manoa William S. Richardson school of law;

- (8) The administrator of the division of forestry and wildlife within the department of land and natural resources or the administrator's designee;
- (9) One member who is also a member of the climate change mitigation and adaptation commission;
- (10) One researcher from the college of tropical agriculture and human resources at the University of Hawaii at Manoa;
- (11) One extension agent from the college of tropical agriculture and human resources at the University of Hawaii at Manoa;
- (12) Four members, one each to be appointed by the respective mayors of the city and county of Honolulu, and the counties of Hawaii, Kauai, and Maui; and
- (13) Four members to be jointly selected and invited to participate by the president of the senate and the speaker of the house of representatives, of which two members shall be selected from an environmental nonprofit organization, and two members shall be selected from an agricultural or ranching association.

Task force members may recommend to the task force additional members with appropriate specialized expertise, subject to approval by the chairperson.

(d) Members of the task force shall be nominated and appointed pursuant to, and subject to section 26-34 and shall serve without compensation, but shall be reimbursed for reasonable expenses necessary for the performance of their duties, including travel expenses.

(e) The greenhouse gas sequestration task force shall:

- (1) Submit a preliminary report of its findings and recommendations, including any proposed legislation, to the legislature and the climate change mitigation and adaptation commission no later than twenty days prior to the convening of the regular session of 2023; provided that the preliminary report shall discuss the objectives and issues listed in subsections (a) and (b), including the following:
 - (A) Types of agricultural and aquacultural practices, public land and marine use policies, and on-farm managing practices that would provide greenhouse gas benefits and result in tangible economic benefits to agricultural and aquacultural operations;
 - (B) Short-term and long-term benchmarks that would indicate how effectively agricultural and aquacultural activities have been helping the State to reach greenhouse gas neutrality;
 - (C) Appropriate criteria that may be used in a certification program to measure baseline levels and increases in carbon sequestration, improvements in soil health, and other key indicators of greenhouse gas benefits from beneficial agricultural and aquacultural practices;
 - (D) Types of incentives, grants, research, and assistance that would promote:
 - (i) Agricultural and aquacultural practices to produce greenhouse gas benefits; and
 - (ii) Land and marine use policies and agricultural policies that would encourage agricultural, aquacultural, and land use practices to provide greenhouse gas benefits and result in tangible economic benefits to agricultural and aquacultural operations; and
 - (E) Practices and policies that add trees or vegetation to expand the urban tree canopy in urban areas to reduce ambient tem-

peratures and increase climate resiliency and improve greenhouse gas sequestration in Hawaii; and

- (2) Beginning with the regular session of 2024, submit an annual report of its findings and recommendations, including any proposed legislation, to the legislature and the climate change mitigation and adaptation commission no later than twenty days prior to the convening of each regular session.

(f) The office of planning shall provide administrative and clerical support required by the task force.

§225P-B Zero emissions clean economy target. (a) Considering both atmospheric carbon and greenhouse gas emissions as well as offsets from the local sequestration of atmospheric carbon and greenhouse gases through long-term sinks and reservoirs, a statewide target is hereby established to sequester more atmospheric carbon and greenhouse gases than emitted within the State as quickly as practicable, but no later than 2045.

(b) The Hawaii climate change mitigation and adaptation commission shall endeavor to achieve the goals of this section. After January 1, 2020, agency plans, decisions, and strategies shall give consideration to the impact of those plans, decisions, and strategies on the State’s ability to achieve the goals in this section, weighed appropriately against their primary purpose.”

SECTION 3. Section 225P-1, Hawaii Revised Statutes, is amended to read as follows:

“~~[[§225P-1]]~~ **Purpose.** The purpose of this chapter is to address the effects of climate change to protect the State’s economy, environment, health, and way of life. This chapter establishes the framework for the State to:

- (1) Adapt to the inevitable impacts of global warming and climate change, including rising sea levels, temperatures, and other risk factors; and
- (2) Mitigate its greenhouse gas emissions by sequestering more atmospheric carbon and greenhouse gases than the State produces as quickly as practicable, but no later than 2045.”

SECTION 4. Act 32, Session Laws of Hawaii 2017, is amended as follows:

- 1. By amending section 2 to read:

“SECTION 2. (a) The State shall expand strategies and mechanisms to reduce ~~the~~ greenhouse gas emissions ~~statewide~~ through the reduction of energy use, adoption of renewable energy, and control of air pollution among all agencies, departments, industries, and sectors, including transportation. Such strategies and mechanisms shall utilize the best available science, technologies, and policies to reduce greenhouse gas emissions and shall be closely aligned with the climate change principles and goals adopted in the Paris Agreement and Hawaii’s share of obligations within the expectations apportioned to the United States in the Paris Agreement, regardless of federal action.

(b) The State shall strive to formulate and communicate long-term low greenhouse gas emission development strategies and shall take actions to conserve and enhance long-term sinks and reservoirs of greenhouse gases, by prioritizing the development of parks, greenways, and restoration of native upland and coastal forests and wetlands.”

- 2. By amending section 6 to read:

~~“SECTION 6. Chapter 225P, Hawaii Revised Statutes, is repealed.]~~
Repealed.”

3. By amending section 10 to read:

~~“SECTION 10. This Act shall take effect on July 1, 2017[; provided that section 6 shall take effect on July 1, 2022].”~~

SECTION 5. Act 33, Session Laws of Hawaii 2017, is repealed.

SECTION 6. The office of planning shall submit a status update report of its progress and recommendations, including any proposed legislation, regarding the greenhouse gas sequestration task force to the legislature no later than twenty days prior to the convening of the regular session of 2021.

SECTION 7. There is appropriated out of the general revenues of the State of Hawaii the sum of \$150,000 or so much thereof as may be necessary for fiscal year 2018-2019 for the purpose of funding the greenhouse gas sequestration task force and its related efforts.

The sum appropriated shall be expended by the office of planning for the purposes of this Act.

SECTION 8. In codifying the new sections added by section 2 of this Act, the revisor of statutes shall substitute appropriate section numbers for the letters used in designating the new sections in this Act.

SECTION 9. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.¹

SECTION 10. This Act shall take effect on July 1, 2018.

(Approved June 4, 2018.)

Note

1. Edited pursuant to HRS §23G-16.5.

ACT 16

H.B. NO. 1986

A Bill for an Act Relating to the Environment.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that the State’s natural environment and ecosystems are in a fragile state due to the amount of greenhouse gases released through human activities and the resulting impact on global climate change. The legislature also finds that the State should support programs that incentivize state agencies, private entities, and individuals to adopt practices that are more environmentally friendly and that result in reduced carbon emissions into the environment. The legislature notes that one mechanism that has gained success in Europe after adoption of the Kyoto Protocol is the transferring and selling of carbon offset credits. California and numerous other states and private industries have established these types of credits for purchase by polluters to offset their carbon emissions. Billions of dollars have been raised by California

alone, and many industries are seeking new places to invest these dollars to offset their carbon emissions.

The legislature further finds that it is necessary to invest state funds to improve the State's water infrastructure and ensure future water sustainability in the face of ongoing climate change. More specifically, the State must be prepared to provide more resources and support for those affected by disaster-scale flooding, coastal seawater inundation, and shortages of potable water and agricultural water. The legislature anticipates that the revenues raised by a state carbon offset program will greatly enhance mitigation and adaptation to climate change.

Accordingly, the legislature finds that it is in the public interest to create a carbon offset program in the State that would incentivize and reward the adoption of, practice of, and adherence to carbon emission reduction activities.

The purpose of this Act is to require the office of planning in partnership with the greenhouse gas sequestration task force to establish a framework for a carbon offset program, through which revenues realized from the sale of carbon offset credits may be invested into projects to generate further carbon offset credits or enhance the State's mitigation and adaptation to climate change.

SECTION 2. Chapter 225P, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

“§225P- Carbon offset program. (a) The office of planning in partnership with the greenhouse gas sequestration task force shall investigate and establish a carbon offset program that:

- (1) Provides expertise in carbon offsetting to public agencies and private entities and assists in coordinating carbon offset projects of public agencies, including but not limited to the generation, certification, and marketing of carbon credits;
- (2) Allows for proceeds and revenues generated by state departments from sales of offset credits to be deposited into suitable funds particularly for reinvestment to generate further carbon offset credits; provided that the funds are used in accordance with the purposes of the fund;
- (3) Allows for proceeds and revenues generated by state agencies from sales of carbon credits other than as described in paragraph (2) to be invested in projects enhancing the State's efforts to mitigate or adapt to climate change; and
- (4) Is consistent with the State's sustainability goals and policies.

(b) The office of planning in partnership with the greenhouse gas sequestration task force shall submit a report of its findings and recommendations, including any proposed legislation, to the legislature and the climate change mitigation and adaptation commission no later than twenty days prior to the convening of the regular session of 2020.

(c) As used in this section:

“Carbon credit” means a tradable certificate or permit issued by a carbon registry that represents a greenhouse gas reduction or greenhouse gas removal enhancement that is equivalent to one metric ton of carbon dioxide and meets the requirements of the carbon offset program.

“Carbon offset” means a compensatory measure made by an agency, business, or individual to reduce carbon dioxide emissions or to increase carbon dioxide sequestration.

“Carbon registry” means any established international, national, or regional carbon registry program that serves voluntary or compliance markets,

provides an independent carbon standard to verify and certify carbon offsets, and issues carbon credits.”

SECTION 3. There is appropriated out of the general revenues of the State of Hawaii the sum of \$150,000 or so much thereof as may be necessary for fiscal year 2018-2019 to investigate and establish the carbon offset program.

The sum appropriated shall be expended by the office of planning for the purposes of this Act.

SECTION 4. New statutory material is underscored.¹

SECTION 5. This Act shall take effect on July 1, 2018.

(Approved June 4, 2018.)

Note

1. Edited pursuant to HRS §23G-16.5.

ACT 17

H.B. NO. 2106

A Bill for an Act Relating to Environmental Protection.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The environmental council shall adopt and maintain rules pursuant to chapter 91, Hawaii Revised Statutes, requiring all environmental assessments and environmental impact statements prepared pursuant to chapter 343, Hawaii Revised Statutes, whether in draft or final form, to include consideration of sea level rise based upon the best available scientific data regarding sea level rise.

SECTION 2. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

SECTION 3. This Act shall take effect upon its approval.

(Approved June 4, 2018.)

ACT 18

S.B. NO. 2851

A Bill for an Act Relating to Statutory Revision: Amending or Repealing Various Provisions of the Hawaii Revised Statutes and the Session Laws of Hawaii for the Purposes of Correcting Errors and References, Clarifying Language, and Deleting Obsolete or Unnecessary Provisions.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 5-7.7, Hawaii Revised Statutes, is amended to read as follows:

“~~§~~§5-7.7 **Aloha order of merit location.** There shall be set aside within the [Honolulu] Daniel K. Inouye International Airport an area to exhibit com-

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memorative displays honoring members of the order. The displays may include likenesses of members and descriptions of the meritorious achievements of each member.”

SECTION 2. Section 102-11, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

- “(b) All security provided under this section shall:
- (1) Be conditioned on the full and faithful performance of the contract in accordance with the terms and intent thereof;
 - (2) Be in an amount not less than two months’ rental and other charges, if any, required under the contract; provided that any contract for the sale and delivery of [~~in bond~~] in-bond merchandise at [~~Honolulu~~] the Daniel K. Inouye International Airport shall require a bond in an amount not less than four months of the highest minimum annual rental guaranty required under the contract; and
 - (3) By its terms inure to the benefit of the State or of the county, as the case may be.”

SECTION 3. Section 142-72, Hawaii Revised Statutes, is amended to read as follows:

“**§142-72 Procedure, if owner believes impounding illegal.** If the owner of any animal taken up for trespass[;] has reason to believe that the taking up or impounding of the animal was illegal, or if [~~he~~] the owner regards the claim for damages or expenses as excessive, [~~he~~] the owner may have [~~his~~] the owner’s animal returned to [~~him~~] the owner upon [~~his~~] the owner’s delivering to the landowner or to the pound keeper, if the animal has been impounded, a certificate from any district judge of the circuit, stating that [~~he~~] the owner has deposited with the judge the amount claimed by the landowner, together with the pound fees, if any, or a good and sufficient bond for the same and the costs of an action before [~~him~~] the judge.”

SECTION 4. Section 201B-4, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

“(b) The board shall be subject to the procedural requirements of section 92-4, and this authorization shall be in addition to the exceptions listed in section 92-5, to enable the [~~authority~~] board to respect the proprietary requirements of enterprises with which it has business dealings.”

SECTION 5. Section 201M-5, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

- “(b) The board shall consist of eleven members, who shall be appointed by the governor pursuant to section 26-34[;], provided that:
- (1) Three members shall be appointed from a list of nominees submitted [~~by~~] the president of the senate;
 - (2) Three members shall be appointed from a list of nominees submitted by the speaker of the house of representatives;
 - (3) Two members shall be appointed from a list of nominees submitted by the board;
 - (4) Two members shall be appointed by the governor;
 - (5) The director of business, economic development, and tourism, or the director’s designated representative, shall serve as an ex officio, voting member of the board;

- (6) The appointments shall reflect representation of a variety of businesses in the State;
- (7) No more than two members shall be representatives from the same type of business; and
- (8) There shall be at least one representative from each county.

For the purposes of paragraphs (1) and (2), nominations shall be solicited from small business organizations, state and county chambers of commerce, and other interested business organizations.”

SECTION 6. Section 205A-22, Hawaii Revised Statutes, is amended by amending the definition of “department” to read as follows:

““Department” means the planning department in the counties of Kauai, Maui, and Hawaii[;] and the department of [~~land utilization~~] planning and permitting in the city and county of Honolulu, or other appropriate agency as designated by the county councils.”

SECTION 7. Section 206-5, Hawaii Revised Statutes, is amended to read as follows:

“§206-5 Declaration of development areas. (a) Whenever the board of land and natural resources, after due notice and public hearing, [~~the time and place of which have been duly given by public notice in the city and county of Honolulu on at least three different days, the last notice being not less than five days before the date of hearing,~~] finds that [~~in any locality on the island of Oahu~~] an acute shortage of residential fee simple property exists in any locality on the island of Oahu and that the shortage of residential fee simple holdings cannot practicably be alleviated within the reasonably near future by means other than those provided under this chapter, the board may declare a suitable area, not less than ten contiguous acres in extent, as a development area. The development area shall be reasonably accessible to persons in the locality and shall consist of lands suitable for a development project. The time and place of the public hearing shall be given by public notice in the city and county of Honolulu on at least three different days, the last notice being not less than five days before the date of the hearing. Any finding of fact[;] by the board, if supported by a preponderance of evidence, shall be conclusive in any suit, action, or proceeding.

(b) All development areas shall be compatible with any general plan for the long-range development of land in the political subdivision concerned under the terms of chapter [~~201, part II,~~] 225M and shall conform to and with all subdivision and zoning ordinances and requirements of the political subdivision.”

SECTION 8. Section 206E-123, Hawaii Revised Statutes, is amended to read as follows:

“§206E-123 Loans; default. The authority may [~~renegotiate,~~];

- (1) Renegotiate, refinance, or foreclose any loan in default[-];
- (2) [~~The authority may waive~~] Waive any default or consent to the modification of the terms of any loan or security agreement[-];
- (3) [~~The authority may commence~~] Commence any action to protect or enforce any right conferred upon it by any law, mortgage, insurance policy, contract, or other agreement[-];
- (4) [~~The authority may bid~~] Bid for and purchase the property secured by the loan at any foreclosure or other sale[;] or acquire or take possession of the property secured by the loan[-]; and

- (5) ~~[The authority may operate,]~~ Operate, manage, lease, dispose of, or otherwise deal with the property secured by the loan.”

SECTION 9. Section 235-7, Hawaii Revised Statutes, is amended by amending subsection (e) to read as follows:

“(e) There shall be disallowed as a deduction the amount of interest paid or accrued within the taxable year on indebtedness incurred or continued~~[,]~~ to purchase or carry:

- (1) ~~[to purchase or carry bonds]~~ Bonds the interest upon which is excluded from gross income by subsection (a); or
- (2) ~~[to purchase or carry property]~~ Property owned without the State, or to carry on trade or business without the State, if the taxpayer is a person taxable only upon income from sources in the State.”

SECTION 10. Section 235-110.7, Hawaii Revised Statutes, is amended to read as follows:

“**§235-110.7 Capital goods excise tax credit.** (a) There shall be allowed to each taxpayer subject to the tax imposed by this chapter a capital goods excise tax credit, which shall be deductible from the taxpayer’s net income tax liability, if any, imposed by this chapter for the taxable year in which the credit is properly claimed.

The amount of the tax credit shall be ~~[determined by the application of the following rates against]~~ four per cent of the cost of the eligible depreciable tangible personal property used by the taxpayer in a trade or business and placed in service within Hawaii after ~~[December 31, 1987. For calendar years beginning after:~~

- (1) ~~December 31, 1987, the applicable rate shall be three per cent;~~
- (2) ~~December 31, 1988, the applicable rate shall be four per cent;~~
- (3) ~~December 31, 2008, the applicable rate shall be zero per cent; and~~
- (4) ~~December 31, 2009], and thereafter, the applicable rate shall be four per cent.~~

~~For taxpayers with fiscal taxable years, the applicable rate shall be the rate for the calendar year in which the eligible depreciable tangible personal property used in the trade or business is placed in service within Hawaii].~~

In the case of a partnership, S corporation, estate, or trust, the tax credit allowable is for eligible depreciable tangible personal property ~~[which]~~ that is placed in service by the entity. The cost upon which the tax credit is computed shall be determined at the entity level. Distribution and share of credit shall be determined by rules.

In the case of eligible depreciable tangible personal property for which a credit for sales or use taxes paid to another state is allowable under section 238-3(i), the amount of the tax credit allowed under this section shall not exceed the amount of use tax actually paid under chapter 238 relating to ~~[such]~~ the tangible personal property.

If a deduction is taken under section 179 (with respect to election to expense certain depreciable business assets) of the Internal Revenue Code of 1954, as amended, no tax credit shall be allowed for that portion of the cost of property for which the deduction was taken.

(b) If the capital goods excise tax credit allowed under subsection (a) exceeds the taxpayer’s net income tax liability, the excess of credit over liability shall be refunded to the taxpayer; provided that no refunds or payment on account of the tax credit allowed by this section shall be made for amounts less than \$1.

All claims for tax credits under this section, including any amended claims, must be filed on or before the end of the twelfth month following the close of the taxable year for which the credits may be claimed. Failure to comply with the foregoing provision shall constitute a waiver of the right to claim the credit.

(c) Application for the capital goods excise tax credit shall be upon forms provided by the department of taxation.

(d) Sections 47 (with respect to dispositions of section 38 property and the recapture percentages) of the Internal Revenue Code of 1954, as amended, as of December 31, 1984, and 280F as operative for this chapter (with respect to limitation on investment tax credit and depreciation for luxury automobiles; limitation where certain property used for personal purposes) of the Internal Revenue Code of 1954, as amended, shall be operative for purposes of this section.

(e) As used in this section, the definition of section 38 property (with respect to investment in depreciable tangible personal property) as defined by section 48(a)(1)(A), (a)(1)(B), (a)(3), (a)(4), (a)(7), (a)(8), (a)(10)(A), (b), (c), (f), (l), (m), and (s) of the Internal Revenue Code of 1954, as amended as of December 31, 1984, is operative for the purposes of this section only.

(f) As used in this section:

“Cost” means the:

- (1) [~~the actual~~] Actual invoice price of the tangible personal property[;];
or
- (2) [~~the basis~~] Basis from which depreciation is taken under section 167 (with respect to depreciation) or from which a deduction may be taken under section 168 (with respect to accelerated cost recovery system) of the Internal Revenue Code of 1954, as amended,

whichever is less.

“Eligible depreciable tangible personal property” is section 38 property as defined by the operative provisions of section 48 and having a depreciable life under section 167 or for which a deduction may be taken under section 168 of the [~~federal~~] Internal Revenue Code of 1954, as amended.

“Placed in service” means the earliest of the following taxable years:

- (1) The taxable year in which, under the:
 - (A) Taxpayer’s depreciation practice, the period for depreciation;
or
 - (B) Accelerated cost recovery system, a claim for recovery allowances[;],
 with respect to [~~such~~] the property begins; or

- (2) The taxable year in which the property is placed in a condition or state of readiness and availability for a specifically assigned function.

“Purchase” means an acquisition of property.

“Tangible personal property” means tangible personal property [~~which~~] that is placed in service within Hawaii after December 31, 1987, and the purchase or importation of which resulted in a transaction [~~which~~] that was subject to the imposition and payment of tax at the rate of four per cent under chapter 237 or 238. “Tangible personal property” does not include tangible personal property [~~which~~] that is an integral part of a building or structure or tangible personal property used in a [~~foreign-trade~~] foreign-trade zone, as defined under chapter 212.”

SECTION 11. Section 237-27, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

“(a) As used in this section:

[(4)] "Petroleum products" means petroleum[~~;~~]; any distillate, fraction, or derivative of petroleum[~~;~~]; natural gas or its components[~~;~~]; gas manufactured from a petroleum product[~~;~~]; and any product derived from the gas or from the manufacture thereof, such as benzene, xylene, toluene, acetylene, tars, components of tars, and ammonia.

[(2)] "Refiner" means any person who, in the State, engages in the business of refining petroleum products and is taxable under this chapter, upon the value or gross proceeds of sales of the petroleum products resultant from the business. A person who is engaged in business as a refiner and also in other business shall be deemed a refiner only in respect of the business that produces the products included in the measure of the tax imposed by this chapter.

[(3)] "Refining" means:

[(A)] (1) Any process performed by a refiner that includes a change in the character or properties of a petroleum product through the application of heat[~~;~~]; or

[(B)] (2) The compounding by a refiner of a petroleum product with a product that has been refined by the refiner by the process stated in [clause (A)-] paragraph (1)."

SECTION 12. Section 245-16, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

"(b) This section shall not apply to the shipment of cigarettes if any of the following conditions are met:

- (1) The cigarettes are exempt from taxes as provided by section 245-3(b) or are otherwise exempt from the applicability of this chapter as provided by section 245-62;
- (2) All applicable Hawaii taxes on the cigarettes are paid in accordance with the requirements of this chapter; or
- (3) The person or entity engaged in the business of selling, advertising, or offering cigarettes for sale and transfer or shipment:
 - (A) Has fully complied with all of the requirements of chapter 10A (commencing with section 375) of title 15 of the United States Code, otherwise known as the Jenkins Act; and
 - (B) Includes on the outside of the shipping container an externally visible and easily legible notice located on the same side of the shipping container as the address to which the shipping container is delivered stating as follows:

"CIGARETTES: HAWAII LAW PROHIBITS THE SALE OF CIGARETTES TO INDIVIDUALS UNDER ~~EIGHTEEN~~ TWENTY-ONE YEARS OF AGE AND REQUIRES THE PAYMENT OF ALL APPLICABLE TAXES. YOU ARE LEGALLY RESPONSIBLE FOR ALL APPLICABLE UNPAID TAXES ON THESE CIGARETTES."

SECTION 13. Section 261-7, Hawaii Revised Statutes, is amended by amending subsection (c) to read as follows:

"(c) The department shall enter into a contract with no more than one person ("contractor") for the sale and delivery of in-bond merchandise at ~~Honolulu~~ the Daniel K. Inouye International Airport, in the manner provided by law. The contract shall confer the right to operate and maintain commercial facilities within the airport for the sale of in-bond merchandise and the right to deliver to the airport in-bond merchandise for sale to departing foreign-bound passengers.

The department shall grant the contract pursuant to the laws of this State and may take into consideration:

- (1) The payment to be made on in-bond merchandise sold at [~~Honolulu~~] the Daniel K. Inouye International Airport and on in-bond merchandise displayed or sold elsewhere in the State and delivered to the airport;
- (2) The ability of the applicant to comply with all federal and state rules and regulations concerning the sale and delivery of in-bond merchandise; and
- (3) The reputation, experience, and financial capability of the applicant.

The department shall actively supervise the operation of the contractor to ensure its effectiveness. The department shall develop and implement [~~such~~] guidelines as it may find necessary and proper to actively supervise the operations of the contractor, and shall include guidelines relating to the department's review of the reasonableness of the contractor's price schedules, quality of merchandise, merchandise assortment, operations, and service to customers.

Apart from the contract described in this subsection, the department shall confer no right upon nor suffer nor allow any person to offer to sell, sell, or deliver in-bond merchandise at [~~Honolulu~~] the Daniel K. Inouye International Airport; provided that this section shall not prohibit the delivery of in-bond merchandise as cargo to the [~~Honolulu~~] Daniel K. Inouye International Airport."

SECTION 14. Section 261-15.5, Hawaii Revised Statutes, is amended to read as follows:

“[~~§~~261-15.5] Aircraft registration. Unless an aircraft is exempted by this section, no person shall operate or cause or authorize to be operated any aircraft at an airport owned or controlled by the department, unless the aircraft has a certificate of registration issued in accordance with rules adopted by the department. Aircraft exempt from registration required by this section include:

- (1) Aircraft operating primarily in interstate or foreign commerce;
- (2) Aircraft owned or operated by the United States;
- (3) Aircraft in transit through the State; and
- (4) Aircraft operated by any scheduled airline carrier [~~which~~] that is a lessee of the State under an airport-airline lease at the [~~Honolulu~~] Daniel K. Inouye International Airport and [~~which~~] that is commonly referred to as signatory airline.”

SECTION 15. Section 261-23, Hawaii Revised Statutes, is amended to read as follows:

“§261-23 [~~Honolulu~~] Daniel K. Inouye International Airport. All that area set aside by executive order No. 1016 for John Rodgers Airport and Keehi Lagoon Seaplane Harbor to be under the control and management of the superintendent of public works under date of April 12, 1943, is designated as [~~Honolulu~~] the “Daniel K. Inouye International Airport”.”

SECTION 16. Section 286-202.6, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

“(a) In addition to the requirements in title 49 Code of Federal Regulations [~~part~~] section 390.21, every motor carrier vehicle shall be marked as specified in subsections (b), (c), and (d).”

SECTION 17. Section 304A-1959, Hawaii Revised Statutes, is amended to read as follows:

“~~[[§304A-1959]]~~ **Biennial report.** No later than twenty days prior to the convening of the regular session of each odd-numbered year, the University of Hawaii shall submit a report to the legislature concerning:

- (1) All funds deposited into the university innovation and commercialization initiative special fund and a detailed description of the use of those funds; and
- (2) Coordinated efforts between the innovation and commercialization initiative program and other state agencies, including the ~~[[Hawaii]]~~ technology development corporation, the Hawaii strategic development corporation, and the Hawaii state energy office, to move the State's innovation goals forward, and to more efficiently and effectively utilize resources to achieve these outcomes.”

SECTION 18. Section 321-5, Hawaii Revised Statutes, is amended to read as follows:

“**§321-5 Contract for exchange of Hawaii personnel.** (a) The department of health may contract with any state, or the health department of any state having the power to so contract, for the exchange of Hawaii personnel for personnel of the health department of ~~[any such]~~ that state. Any ~~[such]~~ exchange shall be made under rules ~~[and regulations]~~ prescribed by the department, in no case shall be for a period exceeding one year, and in all cases shall be subject to the following provisions:

- (1) That each person exchanged by the health department of any state shall possess qualifications equal to the qualifications of the person exchanged ~~[for him]~~ from Hawaii;
- (2) That the person exchanged from Hawaii shall have served for not less than three years prior to the beginning of the exchange period ~~[in the]~~ as Hawaii personnel;
- (3) That in the selection of Hawaii personnel for exchange, preference shall be given to persons born in the State;
- (4) That each person exchanged by the health department of any state shall hold in the health department of ~~[such]~~ that state a position the same as or equivalent to the position held by the person exchanged ~~[for him]~~ from Hawaii;
- (5) That the person exchanged from Hawaii shall be paid ~~[his]~~ that person's regular salary out of the funds appropriated therefor, but nothing in addition thereto;
- (6) That the State shall not pay any traveling or other expenses of the Hawaii personnel or of the personnel of the health department of any state coming to Hawaii under any contract of exchange. This prohibition shall be construed to include all travel, transportation, board, lodging, or other expenses incidental to or arising out of any exchange;
- (7) That the State shall not pay any compensation to the person coming to Hawaii under any contract of exchange; provided that in any case where the person so exchanged from Hawaii becomes incapacitated~~[-]~~ or, for any reason, leaves the exchange position permanently, the department may pay the visiting exchange person an amount not to exceed the salary rating of the person so exchanged from Hawaii, such an arrangement to continue until the end of the period

of exchange or until such time as some adjustment satisfactory to the department is made;

- (8) That any provision of law to the contrary notwithstanding, the state requirements in respect to civil service, citizenship, or residence shall not apply to any person coming to Hawaii under any ~~[such]~~ contract of exchange; and
- (9) That the appropriate collective bargaining agreement, executive order, executive directive, or rule regarding traveling expenses for state officials shall not apply to Hawaii personnel exchanged under this section.

(b) The department may ~~[make such]~~ adopt rules ~~[and regulations]~~ as it ~~[may deem]~~ deems necessary concerning the powers, rights, functions, conduct, duties, and liabilities of, exercised by or imposed upon, any person coming to Hawaii under any contract of exchange.

(c) As used in this section, unless the text clearly otherwise indicates^[5]:
 “Hawaii personnel” means public health nurses, sanitary officers, and medical officers^[5].

“Health department” means the board of health, department of health, president of the board of health, or other public authority authorized by law to administer or administering the public health laws of any state.

~~[“state”]~~ “State” means any state or territory of the United States, or county or municipality of any such state or territory^[5]; and ~~“health department”~~ means the board of health, department of health, president of the board of health, or other public authority authorized by law to administer or administering the public health laws of any state^[5].”

SECTION 19. Section 329-38, Hawaii Revised Statutes, is amended by amending subsection (h) to read as follows:

“(h) The effectiveness of a prescription for the purposes of this section shall be determined as follows:

- (1) A prescription for a controlled substance shall be issued for a legitimate medical purpose by an individual practitioner acting in the usual course of the practitioner’s professional practice. The responsibility for the proper prescribing and dispensing of controlled substances shall be upon the prescribing practitioner, but a corresponding responsibility shall rest with the pharmacist who fills the prescription. An order purporting to be a prescription issued not in the usual course of professional treatment or for legitimate and authorized research shall not be deemed a prescription within the meaning and intent of this section, and the person who knowingly fills such a purported prescription, as well as the person who issues the prescription, shall be subject to the penalties provided for violations of this chapter;
- (2) A prescription may not be issued to allow an individual practitioner to obtain controlled substances for supplying the individual practitioner for the purpose of general dispensing to patients;
- (3) A prescription may not be issued for the dispensing of narcotic drugs listed in any schedule for the purpose of “medically managed withdrawal”, also known as “detoxification treatment”, or “maintenance treatment” except as follows:
 - (A) The administering or dispensing directly (but not prescribing) of narcotic drugs listed in any schedule to a narcotic drug-dependent person for “medically managed withdrawal”, also known as “detoxification treatment”, or “maintenance treat-

ment” shall be deemed to be “in the course of a practitioner’s professional practice or research” so long as the practitioner is registered separately with the department and the federal Drug Enforcement [Agency] Administration as required by section 329-32(e) and complies with [Title] title 21 Code of Federal Regulations section 823(g) and any other federal or state regulatory standards relating to treatment qualification, security, records, and unsupervised use of drugs; and

- (B) Nothing in this section shall prohibit a physician or authorized hospital staff from administering or dispensing, but not prescribing, narcotic drugs in a hospital to maintain or detoxify a person as an incidental adjunct to medical or surgical treatment of conditions other than addiction;
- (4) An individual practitioner shall not prescribe or dispense a substance included in schedule II, III, IV, or V for that individual practitioner’s personal use, except in a medical emergency; and
- (5) A pharmacist shall not dispense a substance included in schedule II, III, IV, or V for the pharmacist’s personal use.”

SECTION 20. Section 329-125, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

“(a) A qualifying patient or the primary caregiver may assert the medical use of cannabis authorized under this part as an affirmative defense to any prosecution involving [~~cannabis or~~ marijuana] under this part [~~or~~], part IV[~~;~~], or part IV of chapter 712; provided that the qualifying patient or the primary caregiver strictly complied with the requirements of this part.”

SECTION 21. Section 329-125.6, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

“(a) An owner or employee of a medical cannabis dispensary that is licensed under chapter 329D may assert the production or distribution of medical cannabis as an affirmative defense to any prosecution involving [~~cannabis or~~ marijuana] under this part [~~or~~], part IV[~~;~~], chapter 329D[~~;~~], or part IV of chapter 712; provided that the owner or employee strictly complied with the requirements of chapter 329D and any administrative rules adopted thereunder.”

SECTION 22. Section 346G-10, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

“(b) In accordance with title 42 Code of Federal Regulations [~~section~~] part 438, the department shall use revenues from the hospital sustainability fee and federal matching funds to enhance the capitated rates paid to medicaid managed care health plans for [~~the~~] state fiscal years 2017-2018 and 2018-2019, consistent with the following objectives:

- (1) The rate enhancement shall be used exclusively for increasing reimbursements to private hospitals to support the availability of services and to ensure access to care to the medicaid managed care health plan enrollees;
- (2) The rate enhancement shall be made part of the monthly capitated rates by the department to medicaid managed care health plans, which shall provide documentation to the department and the hospital trade association located in Hawaii certifying that the revenues received under paragraph (1) are used in accordance with this section;

- (3) The rate enhancement shall be actuarially sound and approved by the federal government for federal fund participation;
- (4) The rate enhancements shall be retroactive to July 1, 2012, or the effective date approved by the federal government, whichever is later. Retroactive rate enhancements shall be paid within thirty days of notification by the Centers for Medicare and Medicaid Services to the department of all necessary approvals; and
- (5) Payments made by the medicaid managed care health plans shall be made within thirty business days upon receipt of monthly capitation rates from the department.”

SECTION 23. Section 431:2-203, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

- “(b)(1) A person who intentionally or knowingly violates, intentionally or knowingly permits any person over whom the person has authority to violate, or intentionally or knowingly aids any person in violating any insurance rule or statute of this State or any effective order issued by the commissioner[;] shall be subject to any penalty or fine as provided by this code or by the Hawaii Penal Code [~~of the Hawaii Revised Statutes~~].
- (2) If the commissioner has cause to believe that any person has violated any penal provision of this code or of other laws relating to insurance, the commissioner shall proceed against that person or certify the facts of the violation to the public prosecutor of the jurisdiction in which the offense was committed.
- (3) Violation of any provision of this code is punishable by a fine of not less than \$100 nor more than \$10,000 per violation, or by imprisonment for not more than one year, or both, in addition to any other penalty or forfeiture provided herein or otherwise by law.
- (4) The terms “intentionally” and “knowingly” shall have the same meanings as defined in section 702-206(1) and (2).”

SECTION 24. Section 431:3-205, Hawaii Revised Statutes, is amended to read as follows:

“§431:3-205 **Funds required of new insurers.** Subject to section 431:3-203(a)(2), to qualify to transact any one class of insurance, an insurer, not existing and authorized in this State on July 1, 1988, shall:

- (1) Deposit in a federally insured financial institution within the State, paid-up capital stock in the case of a stock insurer, or unimpaired surplus if:
 - (A) [a] ~~A~~ reciprocal insurer[;]; or
 - (B) [a] ~~A~~ mutual insurer [~~which~~] that does not seek to qualify upon the basis of applications and premiums collected as provided in sections 431:4-303 to 431:4-307,
 in an amount not less than shown in the applicable Schedule “A”;
- (2) Maintain this deposit at all times while the insurer is licensed and transacting insurance in this State; and
- (3) Secure the approval of the commissioner before making withdrawals from the depository.

Class of Insurance	Schedule “A”	Amount Required
Life		\$ 600,000
Accident and Health or Sickness		450,000

Property	750,000
Marine and Transportation	1,000,000
Vehicle	1,000,000
General Casualty	1,500,000
Surety	1,000,000
Title	400,000.”

SECTION 25. Section 431:4-210, Hawaii Revised Statutes, is amended to read as follows:

“**§431:4-210 Unlawful sales of equity security.** It shall be unlawful for any beneficial owner, director, or officer, directly or indirectly, to sell any equity security of ~~[such] the~~ company if the person selling the security or the person’s principal:

- (1) ~~[does]~~ Does not own the security sold~~;~~]; or
- (2) ~~[if]~~ If owning the security, does not deliver it against ~~[such] the~~ sale within twenty days thereafter, or does not within five days after ~~[such] the~~ sale deposit it in the mails or other usual channels of transportation.

No person shall be deemed to have violated this section if the person proves that notwithstanding the exercise of good faith the person was unable to make ~~[such]~~ delivery or deposit within the required time, or that to do so would cause undue inconvenience or expense.”

SECTION 26. Section 431:10B-103, Hawaii Revised Statutes, is amended to read as follows:

“**§431:10B-103 Definitions.** For the purpose of this article:

~~[(1) Credit life insurance means insurance on the life of a debtor pursuant to or in connection with a specific loan or other credit transaction;~~

~~[(2)]~~ “Credit disability insurance” means insurance on a debtor to provide indemnity for payments becoming due on a specific loan or other credit transaction while the debtor is disabled as defined in the policy~~;~~].

“Credit life insurance” means insurance on the life of a debtor pursuant to or in connection with a specific loan or other credit transaction.

~~[(3)]~~ “Creditor” means the lender of money, or seller or lessor of goods, services, ~~[or]~~ property, rights, or privileges, for which payment is arranged through a credit transaction, or any successor to the right, title, or interest of any ~~[such]~~ lender, seller, or lessor, and an affiliate, associate, or subsidiary of any of them or any director, officer, or employee of any of them, or any other person in any way associated with any of them~~;~~].

~~[(4)]~~ “Debtor” means a borrower of money or a purchaser or lessee of goods, services, property, rights, or privileges for which payment is arranged through a credit transaction~~;~~].

~~[(5)]~~ “Indebtedness” means the total amount payable by a debtor to a creditor in connection with a loan or other credit transaction.”

SECTION 27. Section 431:26-108, Hawaii Revised Statutes, is amended by amending its title to read as follows:

“~~[[§431:26-108]]—Regulations;~~ **Rules.**”

SECTION 28. Section 432:1-104, Hawaii Revised Statutes, is amended to read as follows:

“§432:1-104 Definitions. For the purposes of this article:

~~[(1)]~~ “Commissioner” means the insurance commissioner of the State ~~of Hawaii~~.

~~[(2)]~~ “Mutual benefit society” ~~is~~ means any corporation, unincorporated association, society, or entity:

~~[(A)]~~ (1) Organized and carried on for the primary benefit of its members and their beneficiaries and not for profit, and:

~~[(i)]~~ (A) Making provision for the payment of benefits in case of sickness, disability, or death of its members, or disability, or death of its members’ spouses or reciprocal beneficiaries or children~~;~~; or

~~[(ii)]~~ (B) Making provision for the payment of any other benefits to or for its members,

whether or not the amount of the benefits is fixed or rests in the discretion of the society, its officers, or any other person or persons; and the fund from which the payment of the benefits shall be defrayed is derived from assessments or dues collected from its members, and the payment of death benefits is made to the families, including reciprocal beneficiaries, heirs, blood relatives, or persons named by its members as their beneficiaries; or

~~[(B)]~~ (2) Organized and carried on for any purpose~~[-which-]~~ that:

~~[(i)]~~ (A) Regularly requires money to be paid to it by its members, whether the money be in the form of dues, subscriptions, receipts, contributions, assessments, or otherwise~~;~~; and

~~[(ii)]~~ (B) Provides for the payment of any benefit or benefits or the payment of any money or the delivery of anything of value to its members or their relatives, including reciprocal beneficiaries, or to any person or persons named by its members as their beneficiaries, or to any class of persons ~~which~~ that includes or may include its members,

whether or not the amount or value of the benefit, benefits, money, or thing of value is fixed, or rests in the discretion of the society, its officers, or any other person or persons; or

~~[(C)]~~ (3) Organized and carried on for any purpose~~;~~ whose requirements and provisions, although not identical with, are determined by the commissioner to be substantially similar to~~;~~ those enumerated in ~~subparagraphs (A)] paragraphs (1) and [(B)] (2).~~

Participating in a legal service plan subject to chapter 488 shall not in itself make a corporation, unincorporated association, society, or entity a mutual benefit society and subject to this article.”

SECTION 29. Section 432:1-301, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

“(a) Before doing business or engaging in any act, any mutual benefit society as defined in section ~~[432:1-104(2)] 432:1-104~~ shall file with the commissioner:

(1) Copies of its constitution or organic instrument under which it purports to operate, ~~and~~ the bylaws, and rules and regulations, if any;

(2) If a society promising or offering to pay death, sick, disability, or other benefits in an amount equal to or in excess of \$25:

(A) Copies of all proposed forms of benefit certificates, applications, and circulars to be issued by the society; and

(B) A bond in the sum of \$25,000 with sureties approved by the commissioner. The bond shall be conditioned upon the return

of the advance payments referred to in section 432:1-304, if the organization is not completed within one year; and

- (3) Any additional information as the commissioner may require.”

SECTION 30. Section 435E-25, Hawaii Revised Statutes, is amended to read as follows:

“**§435E-25 Voluntary termination of a member.** A participating member who is then in full compliance with the trust agreement may elect voluntarily to terminate ~~his or her~~ the participating member's membership in the interindemnity arrangement. Upon voluntary termination, ~~such~~ the person may further elect to cease being responsible for future assessments, or to continue to pay ~~such~~ the assessments until ~~such time as such~~ the person's initial contribution is repaid. ~~In the event such~~ If the person elects to cease being responsible for future assessments, the indemnity coverage shall thereupon terminate and ~~such~~ the person shall either be responsible for ~~his or her~~ the person's own exposure for acts committed while a participating member in the interindemnity arrangement, or ~~he or she~~ the person may request the interindemnity arrangement to purchase or provide, at the cost of ~~such~~ the person, coverage for ~~such~~ the person's exposure. The initial contribution of ~~such~~ the person shall be repaid on the tenth anniversary of the date ~~such~~ the contribution was made. ~~In the event such~~ If the person elects to continue to be responsible for assessments, the indemnity coverage shall continue in respect of occurrences prior to the date of the voluntary termination, and the initial contribution of ~~such~~ the person shall be repaid ~~at such time as~~ when the board of trustees is satisfied that:

- (1) ~~there~~ There are no claims pending against the person in respect of occurrences during the time the person was a participating member~~;~~ and
- (2) ~~the~~ The statute of limitations has run on all claims ~~which~~ that might be asserted against the person in respect of occurrences during ~~such~~ that time.

In no event shall ~~such~~ repayment be made earlier than the tenth anniversary of the date ~~such~~ the contribution was made.”

SECTION 31. Section 435E-43, Hawaii Revised Statutes, is amended to read as follows:

“**§435E-43 Investigation, publication.** The commissioner ~~may~~, in the commissioner's discretion, may:

- (1) ~~make such~~ Make public or private investigations within or outside of this State as the commissioner deems necessary to determine whether any person has violated or is about to violate this chapter, or to aid in the enforcement of this chapter~~;~~ and
- (2) ~~publish~~ Publish information concerning the violation of this chapter.”

SECTION 32. Section 508D-15, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

“(a) When residential real property lies:

- (1) Within the boundaries of a special flood hazard area as officially designated on Flood Insurance Administration maps promulgated by the United States Department of Housing and Urban Development for the purposes of determining eligibility for emergency flood insurance programs;

- (2) Within the boundaries of the noise exposure area shown on maps prepared by the department of transportation in accordance with Federal Aviation Regulation [~~Part 150-Airport~~] part 150, Airport Noise Compatibility Planning (14 [~~Code of Federal Regulations Part~~] C.F.R. part 150), for any public airport;
- (3) Within the boundaries of the Air Installation [~~Compatibility~~] Compatible Use Zone of any Air Force, Army, Navy, or Marine Corps airport as officially designated by military authorities; or
- (4) Within the anticipated inundation areas designated on the department of defense's emergency management tsunami inundation maps[;].

subject to the availability of maps that designate the four areas by tax map key (zone, section, parcel), the seller shall include ~~such~~ the material fact information in the disclosure statement provided to the buyer subject to this chapter. Each county shall provide, where available, maps of its jurisdiction detailing the four designated areas specified in this subsection. The maps shall identify the properties situated within the four designated areas by tax map key number (zone, section, parcel) and shall be of a size sufficient to provide information necessary to serve the purposes of this section. Each county shall provide legible copies of the maps and may charge a reasonable copying fee.”

SECTION 33. Section 514B-43, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

“(a) For purposes of this section:

- (1) ~~“Visible commencement of operations” shall have the meaning it has in section 507-41; and~~
- (2) ~~“Lien” means a lien created pursuant to chapter 507, part II.~~
“Visible commencement of operations” shall have the meaning it has in section 507-41.”

SECTION 34. Section 514E-19, Hawaii Revised Statutes, is amended by amending subsections (a) and (b) to read as follows:

“(a) An escrow for the sale of a time share interest in a time share ownership plan may close only if the requirements of any one of the following alternatives for protecting the purchaser have been satisfied:

- (1) The time share interest is conveyed to the purchaser free and clear of any blanket liens[;].
- (2) The time share unit is conveyed to a trustee:
 - (A) Free and clear of any blanket liens under a trust meeting the requirements of sections 514E-22 and [~~23;~~] 514E-23; or
 - (B) Under a lien payment trust meeting the requirements of sections 514E-22, [~~23, 24, and 25.~~] 514E-23, 514E-24, and 514E-25;
- (3) (A) The time share interest is conveyed to the purchaser subject only to blanket liens:
 - (i) Where every person holding an interest in the blanket lien has executed and recorded a nondisturbance agreement; or
 - (ii) For which the director's acceptance of a surety bond or an irrevocable letter of credit meeting the requirements of section 514E-28 has been recorded with respect to that time share unit; and
- (B) If legal or equitable title will be held by anyone other than the purchaser, a notice of time share plan is recorded[;]. or

- (4) The requirements of any alternative arrangements accepted by the director have been met.
- (b) An escrow for the sale of a time share interest in a time share use plan may close only if the requirements of any one of the following alternatives for protecting purchasers have been satisfied:
 - (1) The time share unit is conveyed to a trustee:
 - (A) Free and clear of any blanket liens under a trust meeting the requirements of sections 514E-22 and ~~[23;]~~ 514E-23; or
 - (B) Under a lien payment trust meeting the requirements of sections 514E-22, ~~[23, 24, and 25.]~~ 514E-23, 514E-24, and 514E-25;
 - (2) A notice of time share plan is recorded and either:
 - (A) Every person holding an interest in a recorded blanket lien against any time share interests in that time share unit executes and records a nondisturbance agreement; or
 - (B) The director's acceptance of a surety bond or an irrevocable letter of credit meeting the requirements of section 514E-28 is recorded~~[-];~~ or
 - (3) The requirements of any alternative arrangements accepted by the director have been met."

SECTION 35. Section 514E-25, Hawaii Revised Statutes, is amended by amending subsections (a), (b), and (c) to read as follows:

- "(a) The lien payment deposit shall consist of either ~~[(i) nondelinquent];~~
 - (1) Nondelinquent purchase money contracts from purchasers of time share interests in the time share plan; or ~~[(ii) other]~~
 - (2) Other assets deposited into trust by the developer and approved by the director.
- (b)(1) The purchase money contracts ~~[must]~~ shall have an aggregate remaining principal balance of not less than, and any other assets deposited ~~[must]~~ shall have a liquidated value of not less than, one hundred ten per cent of the difference between ~~[(+) the];~~
 - (A) The aggregate remaining principal balance owing under blanket liens against the time share unit or time share interests in it, including any prepayment penalties, release prices, and similar charges~~[-(ii) the];~~ and
 - (B) The amount of money, or its equivalent, in the trust and available at any time to be applied to the reduction of the principal balance of the blanket lien.

The developer shall have the burden of establishing, to the satisfaction of the director, the liquidated value of assets other than purchase money contracts from purchasers in the time share plan.
- (2) If the blanket lien payment deposit consists of purchase money contracts, the payments required to be made by purchasers under the contracts shall:
 - (A) Be due on or before the dates on which payments become due on the blanket liens;
 - (B) If paid when due, be equal to at least one hundred ten per cent of the amount required to be paid on the blanket liens on ~~[such]~~ that date; and
 - (C) Be sufficient to pay, in full, during the term of ~~[such]~~ those contracts:
 - (i) ~~[all]~~ All amounts secured by the blanket liens, including prepayment penalties and release prices, if any; and

- (ii) ~~[all]~~ All service charges payable to the trustee, any collection agent, and any other servicing agent pursuant to the trust instrument.
- (3) If the developer proposes to deposit into trust assets other than purchase money contracts, ~~[such]~~ those assets ~~[must]~~ shall be sufficient to pay debt service installments on the blanket lien as they become due and to create a sinking fund or other arrangement adequate to extinguish the debt secured by the blanket lien at its maturity.
- (c)(1) In lieu of the requirements of subsection (b), the developer may elect to follow the requirements of paragraphs (2), (3), (4), and (5) ~~[of this subsection]~~ if the following requirements are met:
 - (A) The developer owns or leases under a lease for a term of not less than thirty years all the noncommercial portions of a hotel, condominium, cooperative, or other project;
 - (B) No more than seventy-five per cent of the appraised value of the project is subject to a mortgage or other lien. The appraised value shall be based on the use of the project prior to the creation of the time share plan;
 - (C) ~~(i)~~ As security for the obligations of the developer to the owners~~], the~~:
 - (i) The developer executes and records a mortgage in favor of the trustee under the lien payment trust or the association, in either case as trustee on behalf of the owners, twenty-five per cent of the appraised value of the project; or
 - (ii) ~~[the]~~ The developer conveys or transfers the project to a trust meeting the requirements of sections 514E-22 and ~~[23;]~~ 514E-23, and under the terms of the trust instrument the twenty-five per cent of the beneficial interest in the trust is held for the benefit of, or conveyed or transferred to, the association, acting as trustee for the owners~~], as security for the obligations of the developer to owners~~; and
 - (D) The developer files a verified statement of the program of financing, acceptable to the director, containing a cash flow analysis showing that the developer has adequate funds to pay the debt service installments on the blanket liens on the project during the sales period and to extinguish the debt secured by the blanket lien at its maturity, whether from sales proceeds, loan commitments, income from operations of the project, or other sources.
- (2) The purchase money contracts ~~[must]~~ shall have an aggregate remaining principal balance of not less than, and any other assets deposited ~~[must]~~ shall have a liquidated value of not less than, one hundred ten per cent of the difference between ~~[(i)-a]~~:
 - (A) A pro rata share of the aggregate remaining principal balance owing under blanket liens against the time share unit or time share interests in it, including any prepayment penalties, release prices, and similar charges~~], (ii)-a~~; and
 - (B) A pro rata share of the amount of money, or its equivalent, in the trust and available at any time to be applied to the reduction of the principal balance of the blanket lien.

The developer shall have the burden of establishing, to the satisfaction of the director, the liquidated value of assets other than purchase money contracts from purchasers in the time share plan.

- (3) If the blanket lien payment deposit consists of purchase money contracts, the payments required to be made by purchasers under the contracts ~~[must:]~~ shall:
 - (A) Be due on or before the dates on which payments become due on the blanket liens;
 - (B) If paid when due, be equal to at least one hundred ten per cent of a pro rata share of the amount required to be paid on the blanket liens on ~~[such]~~ that date; and
 - (C) Be sufficient to pay, in full, during the term of ~~[such]~~ those contracts:
 - (i) ~~[a]~~ A pro rata share of all amounts secured by the blanket liens, including prepayment penalties and release prices, if any; and
 - (ii) ~~[all]~~ All service charges payable to the trustee, any collection agent, and any other servicing agent pursuant to the trust instrument.
- (4) If the developer proposes to deposit into trust assets other than purchase money contracts, ~~[such]~~ those assets ~~[must]~~ shall be sufficient to pay a pro rata share of the debt service installments on the blanket lien as they become due and to create a sinking fund or other arrangement adequate to extinguish the debt secured by the blanket lien at its maturity.
- (5) For purposes of this subsection, the term “pro rata share” means a share proportionate to the ratio that the number of time share units in which the sale of time share interests have been closed bears to the total number of time share units in the project. No more than fifty-one weeks of use annually may be attributed to each time share unit in determining the pro rata share.
- (6) The developer may elect to terminate the use of the provisions of this subsection upon satisfying all of the requirements of either subsection (b) or section 514E-26(c).”

SECTION 36. Section 516-1, Hawaii Revised Statutes, is amended by amending the definition of “owner’s basis” to read as follows:

““Owner’s basis” means the value of the lessor’s leased fee interest in the lot that would apply if ~~[such]~~ the interests were normally traded on an open market. The fair market value of the owner’s basis shall be established to provide the lessor with just compensation for the lessor’s interests in the lot and shall take into consideration every interest and equity of the lessee in establishing that market value. The value may be determined by either of the following methods, or any other method ~~[which]~~ that is normally used by qualified appraisers in establishing the fair market value of a lessor’s leased fee interest in land:

- (1) The sum of: ~~[(i) the]~~
 - (A) The future rental income stream for the lot for the term of the lease discounted to present worth from the expiration date of the lease; and ~~[(ii) the]~~
 - (B) The value of the lessor’s reversionary interest in the lot discounted to present worth from the expiration date of the lease. The discount rate shall be based on the maximum rate of return for insured passbook demand ~~[saving]~~ savings account paid by the savings and loan institutions in Hawaii plus three and three-fourths per

- cent; provided~~[-, however,]~~ that the discount rate may be modified by mutual agreement of the lessor, lessee, and the corporation; or
- (2) The current fair market value of the lot, valued as if it were a fee simple lot and as if the fee title were unencumbered, and excluding onsite improvements, established by a market data approach utilizing comparable sales, less the following:
- (A) The value of the lease, including any rights therein, if any, ~~[which]~~ that accrues to the lessee;
 - (B) That percentage of the general enhancement of the neighborhood ~~[which]~~ that has been paid for or contributed directly or indirectly by the lessee;
 - (C) The current replacement cost of that portion of existing off-site improvements, including overhead and profit at prevailing rates, ~~[which]~~ that were paid for or otherwise contributed, directly or indirectly, by the lessee;
 - (D) That percentage of the general enhancement of the development tract and the lot caused by the onsite improvements on the lot paid for, or contributed, directly or indirectly, by the lessee;
 - (E) That amount, not otherwise deducted herein, allocated to the lot~~[-, which]~~ that was paid for or otherwise contributed, directly or indirectly, by the original lessee, computed at prevailing rates for overhead and profit in developing the development tract established by existing practice in the community; and
 - (F) That amount for fees and costs ~~[which]~~ that would ordinarily be borne by the lessor in transferring ~~[such]~~ interest to the lessee, including~~[-]~~ but not limited to~~[-]~~ attorneys' or realtors' commissions, other costs of sale, and similar fee;
- provided~~[-, however,]~~ that the values established by any one of the ~~[foregoing]~~ provisions in subparagraphs (A) to (F) shall not be duplicated in any one of the other provisions."

SECTION 37. Section 516-32, Hawaii Revised Statutes, is amended to read as follows:

"§516-32 Not for profit. It is declared to be the policy of the State that the Hawaii housing finance and development corporation shall carry out its responsibilities under this part in an efficient manner so as to enable it to fix the sales prices and rentals for residential lots at the lowest possible rates consistent with the purpose of this part; and that the corporation shall not administer this part for profit~~[-]~~ or as a source of revenue to the State. To this end, the corporation shall fix the sales prices for residential lots or rentals for lots at no higher rates or prices than it shall find to be necessary in order to produce revenues ~~[which]~~ that (together with all other available moneys, revenues, income, and receipts of the corporation from whatever sources derived under the administration of this part) will be sufficient~~[-]~~ to:

- (1) ~~[to pay,]~~ Pay, as the same becomes due, the principal and interest on the bonds of the corporation;
- (2) ~~[to meet]~~ Meet the cost of~~[-]~~ and ~~[to]~~ provide for the administration of this part; and
- (3) ~~[to create]~~ Create a reserve sufficient to meet the largest principal and interest payments ~~[which]~~ that will be due on ~~[such]~~ the bonds in any one year thereafter and to maintain ~~[such]~~ the reserve."

SECTION 38. Section 516-43, Hawaii Revised Statutes, is amended to read as follows:

“§516-43 Security for funds deposited. The Hawaii housing finance and development corporation ~~may~~, by resolution, may provide that all moneys deposited by it shall be secured~~;~~ by:

- (1) ~~[by any]~~ Any securities by which funds deposited by the state director of finance may be legally secured as provided in section 38-3~~;~~; or
- (2) ~~[by an]~~ An undertaking with ~~[such]~~ sureties as are approved by the corporation faithfully to keep and pay over upon the order of the corporation any ~~[such]~~ deposits and agreed interest thereon, and all banks and trust companies may give any ~~[such]~~ security for ~~[such]~~ those deposits.”

SECTION 39. Section 516-63, Hawaii Revised Statutes, is amended to read as follows:

“§516-63 Free assignability. Except as otherwise provided in section 516-35 and restrictions placed in leases by state or county agencies, a lessee may assign the lessee’s lease at any time without the approval or consent of the lessor, and the assignee shall have the same rights and obligations under the lease as the original lessee; provided that no ~~[such]~~ assignment shall be effective to transfer any interest in the lease unless the lessor has received:

- (1) ~~[either]~~ Either a true executed copy of ~~[such]~~ the assignment or written notice thereof~~;~~;
- (2) ~~[a]~~ A reasonable service charge, except in case of an assignment by way of mortgage or assignment to or by the Federal Housing Administration ~~[or]~~, Department of Veterans Affairs, or ~~[the]~~ Federal National Mortgage Association or a foreclosure of mortgage or assignment in lieu of foreclosure~~;~~; and
- (3) ~~[the]~~ The written undertaking of the assignee to perform all obligations of the lessee under the lease, which undertaking may be incorporated in ~~[such]~~ the assignment.

No ~~[such]~~ assignment shall release the assignor from liability under the lease unless the lessor consents in writing to the assignment. A consent to the assignment shall be deemed a consent to the release of the assignor from liability under the lease. The lessor shall not require payment of any money for the lessor’s consent except the service charge, nor withhold ~~[such]~~ consent unreasonably. Any person acquiring the leasehold estate in consideration of the extinguishment of a debt secured by mortgage of the lease or through foreclosure sale, judicial or otherwise, shall be liable to perform the obligations imposed on the lessee by the lease only during the period ~~[such]~~ the person has possession or ownership of the leasehold estate.”

SECTION 40. Section 516-66, Hawaii Revised Statutes, is amended to read as follows:

“§516-66 Lease rental. (a) In every case of an extension under section 516-65, the annual lease rental during the first thirty years shall not exceed an amount determined as follows:

- (1) Compute to the nearest whole year, one hundred per cent of the unexpired period of fixed rent at the commencement of the extended term;

- (2) Multiply the number of years computed in paragraph (1) by the fixed annual rent in effect immediately prior to the extension;
- (3) Deduct from thirty years the number of years computed in paragraph (1) and multiply that difference by the annual rent determined by mutual agreement of lessor and lessee within thirty days after ~~[such]~~ the extension or by arbitration in ~~[accord]~~ accordance with chapter 658A; and
- (4) Add the amounts computed in paragraphs (2) and (3) and divide that sum by thirty. This sum rounded to the nearest dollar shall be the annual rent for the first thirty years of the extended term; provided that ~~[such]~~ the rent shall not ~~[without the consent of the lessor]~~ be less than the annual rent in effect immediately prior to ~~[such]~~ the extension~~[-]~~, unless otherwise consented to by the lessor.

(b) The annual rent payable ~~[hereunder]~~ under subsection (a) for and during the remaining period of the extended term shall be determined by mutual agreement of the lessor and the lessee~~[-]~~ or, if they fail to reach ~~[such]~~ an agreement at least ninety days before the commencement of the period, by arbitration in accordance with chapter 658A.”

SECTION 41. Section 519-3, Hawaii Revised Statutes, is amended by amending subsection (d) to read as follows:

“(d) For purposes of this section:

- [(+) “Cooperative housing corporation” means a corporation:
- [(A)] (1) Having ~~[one and]~~ only one class of stock outstanding;
 - [(B)] (2) Each of the stockholders of which is entitled, solely by reason of the shareholder’s ownership of stock in the corporation, to occupy for dwelling purposes the dwelling unit in a building~~[-]~~ owned or leased by the corporation~~[-]~~ and situated on land leased by the corporation;
 - [(C)] (3) No stockholder of which is entitled ~~[(either), either]~~ either conditionally or unconditionally~~[-]~~, to receive any distribution not out of earnings and profits of the corporation, except in a complete or partial liquidation of the corporation; and
 - [(D)] (4) Eighty per cent or more of the gross income for the taxable year in which the taxes and interest described in title 26 United States Code section 216(a) are paid or incurred is derived from tenant stockholders.

[(2)] “Offsite improvements” means all physical improvements ~~[such as]~~, including but not limited to~~[-]~~ roads, sewer lines, sewage treatment plants, and underground utility cables, constructed or placed in a subdivision or development off the land intended for occupancy, which improvements are to be used in common by occupants of all lands adjoining ~~[such]~~ the improvements or by occupants of all lands for whose benefit the improvements have been constructed or placed.

[(3)] “Onsite improvements” means all physical improvements placed on a residential lot intended for occupancy, which improvements are for the benefit of occupants of that lot, including~~[-]~~ but not limited to~~[-]~~ dwelling units, garages, service buildings, stairs, walkways, driveways, walls, trees, shrubs, landscaping, and pools.

[(4)] “Owner’s basis” means ~~the value of the lessor’s leased fee interest in the property that would apply if such interest were normally traded on an open market. The fair market value of the owner’s basis shall be established to provide the lessor with just compensation for the lessor’s interests in the lot and shall take into consideration every interest and equity of the lessee in establishing that~~

market value. The value may be determined by any method which is normally used by qualified appraisers in establishing the fair market value of a lessor's leased fee interest in land.

(5) "Original percentage rate" means the percentage derived by dividing the annual lease rent established for the first fixed rent period under the lease by the fair market value of the land as of the first day of the first fixed rent period.

"Owner's basis" means the value of the lessor's leased fee interest in the property that would apply if the interest were normally traded on an open market. The fair market value of the owner's basis shall be established to provide the lessor with just compensation for the lessor's interests in the lot and shall take into consideration every interest and equity of the lessee in establishing that market value. The value may be determined by any method that is normally used by qualified appraisers in establishing the fair market value of a lessor's leased fee interest in land."

SECTION 42. Section 554-10, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) In the administration of any trust [~~which~~] that is a "private foundation", as defined in section 509 of the Code or to which section 4947 of the Code applies, the following shall be prohibited:

- [(i)] (1) Engaging in any act of "self-dealing" [~~as~~, as defined in section 4941(d) of the Code];
- [(ii)] (2) Retaining any "excess business holdings" [~~as~~, as defined in section 4943(c) of the Code];
- [(iii)] (3) Making any investments in [~~such~~] a manner as to subject it to tax under section 4944 of the Code; and
- [(iv)] (4) Making any "taxable expenditures" [~~as~~, as defined in section 4945(d) of the Code];

provided that this subsection [(a)] shall not apply to [~~such~~] amounts of any trust to which section 4947(a)(2) of the Code applies, as [~~are~~] described in the second sentence of [~~said~~] section 4947(a)(2) of the Code, and [~~items (ii) and (iii) of this subsection (a) paragraphs (2) and (3)~~] shall not apply to any trust to which [~~said~~] section 4947(a)(2) of the Code applies [~~which is~~, as described in section 4947(b)(3) of the Code."

SECTION 43. Section 557A-104, Hawaii Revised Statutes, is amended by amending subsection (c) to read as follows:

"(c) A trustee may not make an adjustment:

- (1) That diminishes the income interest in a trust that requires all of the income to be paid at least annually to a surviving spouse and for which an estate tax or gift tax marital deduction would be allowed, in whole or in part, if the trustee did not have the power to make the adjustment;
- (2) That reduces the actuarial value of the income interest in a trust to which a person transfers property with the intent to qualify for a gift tax exclusion;
- (3) That changes the amount payable to a beneficiary as a fixed annuity or a fixed fraction of the value of the trust's assets;
- (4) From any amount that is permanently set aside for charitable purposes under a will or the terms of a trust, unless both income and principal are so set aside; provided that a trustee may transfer income to principal only upon a court order (unless the trustee is holding institutional funds as defined in section [~~517D-3~~] 517E-2)

- exclusively for the benefit of a community foundation and section ~~[517D-4]~~ 517E-4 applies);
- (5) If possessing or exercising the power to make an adjustment may cause an individual to be treated as the owner of all or part of the trust for income tax purposes, and the individual would not be treated as the owner if the trustee did not possess the power to make an adjustment;
 - (6) If possessing or exercising the power to make an adjustment causes all or part of the trust assets to be included for estate tax purposes in the estate of an individual who has the power to remove a trustee or appoint a trustee, or both, and the assets would not be included in the estate of the individual if the trustee did not have the power to make an adjustment; or
 - (7) If the trustee is a beneficiary of the trust.”

SECTION 44. Section 571-21, Hawaii Revised Statutes, is amended by amending subsection (d) to read as follows:

“(d) In children’s cases~~;~~ under section 571-11(1) and (2), the petition and all subsequent court documents shall be suitably entitled so as to indicate that the proceeding is in the interest of rather than against the child or minor involved. The petition shall be verified and statements may be made upon information and belief. ~~[It]~~ The petition shall set forth plainly~~ly~~ the:

- (1) ~~[the facts which]~~ Facts that bring the child within the purview of this chapter;
- (2) ~~[the name,]~~ Name, age, and residence of the child;
- (3) ~~[the names]~~ Names and residences of the child’s parents; and
- (4) ~~[the name]~~ Name and residence of the child’s legal guardian if there ~~[be]~~ is one, of the person or persons having custody or control of the child, or of the nearest known relative if no parent or guardian can be found.

If any of the facts required are not known by the petitioner, the petition shall so state. In cases brought pursuant to section 571-11(2)(A) and (C), a certified copy of the child’s school attendance records shall constitute prima facie evidence of the child’s nonattendance at school or nonreceipt of educational services. ~~[A certified copy is defined as]~~ “Certified copy” means a copy signed by the principal and educator of the child ~~[from]~~ whose class the child did not attend.”

SECTION 45. Section 571-31, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

“(b) When an officer or other person takes a child into custody, the parents, guardian, or legal custodian shall be notified immediately. The child shall be:

- (1) ~~[released]~~ Released to the care of the child’s parent or other responsible adult;
- (2) ~~[referred]~~ Referred or delivered to the court or other designated agency with or without simultaneous release to parent or other responsible adult; or
- (3) ~~[taken]~~ Taken directly to a detention facility~~;~~ if the child’s immediate welfare or the protection of the community requires it~~;~~ or if the child is subject to detention for violation of a court order of probation or protective supervision.”

SECTION 46. Section 577-15, Hawaii Revised Statutes, is amended to read as follows:

“§577-15 Children deemed to be orphans. For the purpose of taking, or determining eligibility to take, any benefit under any law or under any private instrument by the terms of which orphans are eligible to receive benefits, a child born ~~[ef]~~ to parents not married to each other and not adopted shall be deemed an orphan; provided that nothing in this section shall be construed to:

- (1) ~~[to deprive]~~ Deprive any ~~[sueh]~~ child of any rights of inheritance, ~~[or]~~ any rights to support, or any other rights~~[-]~~ to which the child would be entitled~~[-]~~; or
- (2) ~~[to affect]~~ Affect the liabilities of any other person with respect to any ~~[sueh]~~ child to which the person would be subject~~[-]~~ if this section had not been enacted.”

SECTION 47. Section 578-7, Hawaii Revised Statutes, is amended to read as follows:

“§578-7 Substituted or constructive service. Upon the filing of the affidavit referred to in section 578-6, the court may order service of the notice prescribed in sections 578-2 and 578-4 to be made as follows:

- (1) Personal service or service by registered mail without the State. If the residence of a nonresident legal parent is known or is ascertained at any stage of the proceeding prior to the filing of a return of service pursuant to section 578-5, the court may order that service of notice of the time and place of hearing of the petition and of a copy thereof and of a copy of the court’s order be made upon ~~[sueh]~~ the parent by:
 - (A) ~~[by personal]~~ Personal service thereof, without the State, by ~~[sueh]~~ a person and in ~~[sueh]~~ a manner as the court may direct~~[-]~~; or
 - (B) ~~[by sending]~~ Sending certified copies of the petition and of the notice of the time and place of the hearing thereof and of the court’s order, by registered mail, addressed to ~~[sueh]~~ the parent, with request for return receipt, which service, evidenced by ~~[sueh]~~ the receipt signed by the parent and returned to the clerk of the court, shall be regarded as equivalent to service by publication or in lieu thereof.

When service is made pursuant to this paragraph, the time appointed for the hearing of the petition shall be not less than twenty-one days subsequent to the date of service as ~~[herein]~~ provided[-] in this paragraph.

- (2) Service by publication. If the residence of ~~[sueh]~~ a parent is not known and cannot be ascertained, or if an attempt to effect service by either of the methods authorized in paragraph (1) ~~[hereof]~~ is unsuccessful, the court may order that service shall be made by publication. The order shall direct that publication of notice of the pendency of the petition and of the time and place of the hearing thereof be made in a newspaper or newspapers suitable for the advertisement of notices of judicial proceedings once in each week for not less than four successive weeks as the court may prescribe, the last publication to be not less than twenty-one days prior to the time appointed for the hearing of the petition. The court ~~[may]~~, in addition to ordering publication, may direct that a copy of the petition and notice be forthwith deposited in the post office, addressed to ~~[sueh]~~ the parent at the parent’s last known place of residence. The service of the notice required by section 578-2 shall be deemed

complete at the expiration of the time prescribed by the order of publication.”

SECTION 48. Section 580-3.5, Hawaii Revised Statutes, is amended to read as follows:

“~~[[§580-3.5]]~~ **Personal judgment against absent defendant.** In any proceeding in the family court, the court ~~[shall have the power to]~~ may render a personal judgment against a party who is outside of this State and over whom jurisdiction is acquired by service of process in the manner set forth in section 580-3(b) or (c), if the party was personally served with a copy of the summons or order to show cause and complaint or other pleading upon which the judgment is based and if the party was a domiciliary of this State at the time:

- (1) ~~[at the time that the]~~ The cause of action ~~[which]~~ that is the subject of the proceeding arose~~[, or]~~;
- (2) ~~[at the time of]~~ Of the commencement of the proceeding~~[,];~~ or
- (3) ~~[at the time of]~~ Of service.”

SECTION 49. Section 831-3.1, Hawaii Revised Statutes, is amended by amending subsection (f) to read as follows:

“(f) Notwithstanding any law to the contrary, this section shall not apply to:

- (1) Denials by the department of human services, the department of health, or any other branch, political subdivision, or agency of any certificate of approval, license, or permit to any organization, institution, home, or facility subject to licensure under chapters 321, 333F, and 346;
- (2) Denials of employment as a staff member of a youth correctional facility operated under chapter 352;
- (3) Denials of employment as an employee of a detention or shelter facility established or designated pursuant to section 571-33;
- (4) Denials of employment as a staff member of a correctional facility pursuant to chapter 353, or as a staff member that requires the exercise of police powers, including the power to arrest, in the performance of the staff member’s duties pursuant to chapter 353C;
- (5) Denials of employment of applicants or employees pursuant to section 78-2.7;
- (6) Denials or termination of employment as an employee, employee applicant, or employee or agent of a contractor of the department of taxation with access to federal tax information pursuant to section 231-1.6;
- (7) Denials or termination of employment as an employee, employee applicant, or employee or agent of a contractor of the department of human services with access to federal tax information pursuant to section 346-2.5;
- (8) Denials or termination of employment as an employee, employee applicant, or employee or agent of a contractor of the department of labor and industrial relations with access to federal tax information pursuant to section 383-110; and
- (9) Denials or termination of employment as an employee, employee applicant, or employee or agent of a contractor of the child support enforcement agency with access to federal tax information pursuant to section 576D-11.5.”

ACT 19

SECTION 50. Section 235-12, Hawaii Revised Statutes, is repealed.

SECTION 51. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

SECTION 52. Statutory material to be repealed is bracketed and stricken.¹ New statutory material is underscored.

SECTION 53. This Act shall take effect upon approval; provided that the amendments made to section 329-38(h), Hawaii Revised Statutes, by section 19 of this Act shall not be repealed when that section is reenacted on June 30, 2023, pursuant to section 6 of Act 66, Session Laws of Hawaii 2017.

(Approved June 4, 2018.)

Note

1. Edited pursuant to HRS §23G-16.5.

ACT 19

H.B. NO. 2336

A Bill for an Act Relating to Employer Contributions to the Employees' Retirement System.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The purpose of this Act is to facilitate the payment by the State and counties of contributions to the employees' retirement system in advance of the fiscal year in which the contributions are required by allowing the payments to be held by the system and credited against the future obligations of the employers.

In allowing advance payments to the employees' retirement system by the State and counties, it is not the intent of the legislature to require separate accounts to be maintained for each employer that can only be used to pay benefits of a particular employer's employees. The legislature recognizes that, for purposes of the standards of the Government Accounting Standards Board, the employees' retirement system is a cost-sharing multiple-employer pension plan in which the pension obligations to the employees of the State and counties are pooled and the assets of the employees' retirement system can be used to pay the pensions of all State and county employees who are members of the system.

SECTION 2. Chapter 88, Hawaii Revised Statutes, is amended by adding a new section to subpart D of part II to be appropriately designated and to read as follows:

“§88- Advance payments of State and county contributions to the system. (a) The State and counties may pay to the system amounts in excess of the annual amounts required to be paid pursuant to this chapter. The payments shall be made, and the system shall hold, account for, and apply the payments, as provided in this section.

(b) The State or a county shall notify the system in writing whether any payment it makes to the system should be applied to payment of its contributions for the current fiscal year or credited to its contributions for future fiscal years. If the State or a county fails to provide written notice whether a payment applies to payment of contributions for the current fiscal year or is to be credited to contributions for future fiscal years, or if the State or a county provides

written notice that a payment should be applied to contributions for the current fiscal year, section 88-124 or section 88-126 shall apply to the payment. If the State or a county provides written notice to the system that a payment should be credited to contributions for future fiscal years, this section shall apply to the payment.

(c) The State and counties may be credited with interest on their advance payment credits on the last day of each fiscal year, based on the average monthly balance as of the last day of each month, of their advance payment credit during the fiscal year. The interest rate shall be set by the board; provided that the interest rate shall not be greater than the investment return for the fiscal year.

(d) Within sixty days following the end of each fiscal year, the system shall notify the State and the counties of their respective advance payment credits as of the end of the fiscal year.

(e) The State or a county may, by written notice to the system, apply all or a portion of their respective advance payment credit to the payment of contributions. The written notice shall be given to the system no later than one hundred twenty days following the start of fiscal year in which the payment will be applied and shall specify the amount of the advance payment credit to be applied. The advance payment credits shall be applied in the same manner as contributions made pursuant to sections 88-124 and 88-126.

(f) Payments by the State and counties in excess of the annual amounts required to be paid to the system pursuant to this part shall be included in the pension accumulation fund, even though the payments have not been applied to the contribution obligations of the State or counties. Advance payment credits shall not be taken into account in determining the system's unfunded accrued liability for purposes of section 88-122, or in determining employer contribution rates, until the system has received written notice that the advance payment credits should be applied to payment of the contribution obligations for the current year.

(g) For purposes of this section, "advance payment credit" means the sum of all payments credited to contributions for future fiscal years, less sums deducted to pay contributions, together with interest credited thereon."

SECTION 3. New statutory material is underscored.¹

SECTION 4. This Act shall take effect on July 1, 2018.

(Approved June 4, 2018.)

Note

1. Edited pursuant to HRS §23G-16.5.

ACT 20

S.B. NO. 2361

A Bill for an Act Relating to Public Employment Cost Items.

Be It Enacted by the Legislature of the State of Hawaii:

PART I

SECTION 1. There are appropriated or authorized from the sources of funding indicated below to collective bargaining statewide (BUF 102) the following sums or so much thereof as may be necessary to fund for fiscal biennium

ACT 21

2017-2019 all collective bargaining cost items in the agreement negotiated with the exclusive bargaining representative of collective bargaining unit (14):

	<u>FY 2017-2018</u>	<u>FY 2018-2019</u>
General Funds	\$ 952,743	\$2,062,636
Special Funds	\$ 73,756	\$ 152,404
Interdepartmental Transfers	\$ 150,963	\$ 325,230

SECTION 2. Funds appropriated or authorized by this part shall be allotted by the director of finance to the appropriate state departments for expenditure in the respective fiscal year for the purposes of this part.

PART II

SECTION 3. There is appropriated from the source of funding indicated below to collective bargaining statewide (BUF 102) the following sums or so much thereof as may be necessary to fund for fiscal biennium 2017-2019 the salary increases and other cost adjustments authorized by chapter 89C, Hawaii Revised Statutes, for state officers and employees in the executive branch who are excluded from collective bargaining and belong to the same compensation plans as those officers and employees within collective bargaining unit (14):

	<u>FY 2017-2018</u>	<u>FY 2018-2019</u>
General Funds	\$ 21,321	\$ 46,582

SECTION 4. Funds appropriated by this part shall be allotted by the director of finance to the appropriate state departments for expenditure in the respective fiscal year for the purposes of this part.

PART III

SECTION 5. Salary increases and cost adjustments provided in this Act for any officer or employee whose compensation is paid, in whole or in part, from federal, special, or other funds shall be paid wholly or proportionately, as the case may be, from the respective funds.

SECTION 6. Funds appropriated or authorized by this Act that are not expended or encumbered by June 30, 2019, shall lapse as of that date.

SECTION 7. This Act shall take effect upon its approval.

(Approved June 4, 2018.)

ACT 21

H.B. NO. 2345

A Bill for an Act Relating to Money Transmitters.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 489D-7, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

“(b) The security device shall be in a form satisfactory to the commissioner and shall run to the State for the benefit of any claimants against the licensee to secure the faithful performance of the obligations of the licensee relating to the receipt, handling, transmission, and payment of money or mon-

etary value in connection with ~~[the sale and issuance of payment instruments or transmission of]~~ money~~[-] transmissions~~. In the case of a bond, the aggregate liability of the surety shall not exceed the principal sum of the bond. Claimants against the licensee may bring suit directly on the security device or the commissioner may bring suit on behalf of claimants, either in one action or in successive actions.”

SECTION 2. Section 489D-34, Hawaii Revised Statutes, is amended to read as follows:

~~“[§489D-34]—Rules. The commissioner may adopt]~~ **Powers of the commissioner.** In addition to any other powers provided by law, the commissioner may:

- (1) Adopt rules pursuant to chapter 91 to implement this chapter[-];
- (2) Administer and enforce the provisions and requirements of this chapter;
- (3) Issue declaratory rulings and informal nonbinding interpretations;
- (4) Develop requirements for licensure;
- (5) Process and investigate complaints, subpoena witnesses and documents, administer oaths, and receive affidavits and oral testimony, including telephonic communications;
- (6) Investigate and conduct hearings, including contested case proceedings under chapter 91, regarding any violation of this chapter, or any rule or order of, or agreement with, the commissioner;
- (7) Create fact-finding committees that may make recommendations to the commissioner for the commissioner’s deliberations;
- (8) Require disclosure of relevant criminal history in accordance with this chapter and conduct criminal history record checks in accordance with chapter 846;
- (9) Contract with or employ qualified persons who may be exempt from chapter 76, including investigators, examiners, auditors, and attorneys, to assist the commissioner in exercising the commissioner’s powers and duties;
- (10) Require that all revenues, fees, and fines collected by the commissioner under this chapter be deposited into the compliance resolution fund established pursuant to section 26-9(o);
- (11) Revoke, suspend, or otherwise limit the license of any money transmitter for any violation of this chapter, or any rule or order of, or agreement with, the commissioner;
- (12) Report any violation of this chapter or violation of federal or state law to the Consumer Financial Protection Bureau or other federal agency having jurisdiction over the licensee; and
- (13) Do any and all things necessary or incidental to the exercise of the commissioner’s power and duties.”

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect upon its approval.

(Approved June 4, 2018.)

A Bill for an Act Relating to Consumer Credit Reporting Agencies.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that recent events involving security breaches of databases containing sensitive identifying information, such as social security numbers and addresses, have shown that these databases continue to be at high risk of infiltration by identity thieves.

Accordingly, the purpose of this Act is to enhance consumer protections by:

- (1) Expanding the methods by which a consumer may request a security freeze; and
- (2) Specifying that a consumer credit reporting agency shall not charge a fee for placing, lifting, or removing a security freeze on a consumer's credit report or for placing or removing a security freeze on a protected consumer's credit report or records.

SECTION 2. Section 489P-1, Hawaii Revised Statutes, is amended to read as follows:

“~~[[§489P-1]]~~ Purpose. The Federal Trade Commission [~~recently~~] determined that between October 1998[~~]~~] and September 2003, more than twenty-seven million three hundred Americans [~~have been~~] were victims of identity theft, resulting in billions of dollars of losses to consumers. The purpose of this chapter is to protect Hawaii consumers [~~who are victims of identity theft~~] by allowing [~~them~~] consumers to place a security freeze on their credit reports. This security freeze will prohibit a consumer reporting agency from releasing any information to unauthorized parties without the consumer's express authorization and provide consumers more control over who has access to their credit report. This chapter aims to effectively prevent identity thieves from continuing to secure credit in [~~an identity theft victim's~~] someone else's name.”

SECTION 3. Section 489P-2, Hawaii Revised Statutes, is amended as follows:

1. By amending the definition of “security freeze” to read:

““Security freeze” means a notice placed in a credit report[~~]~~] at the request of the consumer [~~who is a victim of identity theft.~~] or the protected consumer's representative.”

2. By deleting the definition of “identity theft”.

[~~““Identity theft” means the unauthorized use of another person's identifying information to obtain credit, goods, services, money, or property.”~~]

SECTION 4. Section 489P-3, Hawaii Revised Statutes, is amended as follows:

1. By amending subsection (a) to read:

“(a) Any consumer who is a resident of this State may place a security freeze on the consumer's credit report. A consumer credit reporting agency shall not charge [~~a victim of identity theft~~] a fee for placing, lifting, or removing a security freeze on a credit report [~~but may charge any other consumer a fee not to exceed \$5 for each request by the consumer to place, lift, or remove a security freeze from the consumer's credit report~~].

A consumer who is a resident of this State ~~[and has been the victim of identity theft]~~ may place a security freeze on the consumer's credit report by making a request ~~[in writing by certified mail]~~ to a consumer credit reporting agency, at an address, telephone number, or website designated by the consumer credit reporting agency to receive such requests, ~~[with a valid copy of a police report, investigative report, or complaint the consumer has filed with a law enforcement agency about unlawful use of the consumer's personal information by another person. A consumer who has not been the victim of identity theft may place a security freeze on the consumer's credit report by making a request in writing by certified mail to a consumer credit reporting agency.]~~ by any of the following methods:

- (1) First-class mail;
- (2) Telephone call; or
- (3) Secure website.

A security freeze shall prohibit the consumer credit reporting agency from releasing the consumer's credit report or any information from it without the express authorization of the consumer. This subsection shall not prevent a consumer credit reporting agency from advising a third party that a security freeze is in effect with respect to the consumer's credit report."

2. By amending subsection (g) to read:

"(g) A consumer reporting agency shall remove or temporarily lift a security freeze placed on a consumer's credit report only in the following cases:

- (1) Upon consumer request; or
- (2) When the consumer's credit report was frozen due to a material misrepresentation of fact by the consumer.

If a consumer reporting agency ~~[intends to remove]~~ removes a security freeze upon a consumer's credit report pursuant to this subsection, the consumer reporting agency shall ~~[notify]~~ send a written confirmation of the removal of the security freeze to the consumer [in writing prior to] within five business days of removing the security freeze on the consumer's credit report."

SECTION 5. Section 489P-3.5, Hawaii Revised Statutes, is amended as follows:

1. By amending subsection (a) to read:

"(a) A consumer credit reporting agency shall place a security freeze on a protected consumer's credit report or records if:

- (1) The consumer credit reporting agency receives a request from the protected consumer's representative for the placement of the security freeze under this section; and
- (2) The protected consumer's representative:
 - (A) Submits the request to the consumer credit reporting agency at the address or other point of contact specified by the consumer credit reporting agency;
 - (B) Provides to the consumer credit reporting agency sufficient proof of identification of the protected consumer and the protected consumer's representative; and
 - (C) Provides to the consumer credit reporting agency sufficient proof of authority to act on behalf of the protected consumer; and
 - ~~(D) Pays to the consumer credit reporting agency a fee as provided in subsection (h)]."~~

2. By amending subsection (f) to read:

“(f) If a protected consumer or a protected consumer’s representative wishes to remove a security freeze for the protected consumer, the protected consumer or the protected consumer’s representative shall:

- (1) Submit a request for the removal of the security freeze to the consumer credit reporting agency at the address or other point of contact specified by the consumer credit reporting agency; and
- (2) Provide to the consumer credit reporting agency:
 - (A) In the case of a request by the protected consumer:
 - (i) Proof that the sufficient proof of authority for the protected consumer’s representative to act on behalf of the protected consumer is no longer valid; and
 - (ii) Sufficient proof of identification of the protected consumer; or
 - (B) In the case of a request by the representative of a protected consumer:
 - (i) Sufficient proof of identification of the protected consumer and the representative; and
 - (ii) Sufficient proof of authority to act on behalf of the protected consumer]; ~~and~~
- (3) ~~Pay to the consumer credit reporting agency a fee as provided in subsection (h)].”~~

3. By amending subsection (h) to read:

“(h) A consumer credit reporting agency ~~[may]~~ shall not charge a [reasonable] fee[, not to exceed \$5, for each placement or removal of] for placing or removing a security freeze on a credit report or records for a protected consumer[; provided that a consumer credit reporting agency shall not charge a fee under this section if:

- (1) ~~The protected consumer’s representative has a valid copy of a police report, investigative report, or complaint which the protected consumer or the protected consumer’s representative has filed with a law enforcement agency regarding the unlawful use of the protected consumer’s personal information by another person, and provides a copy of the report to the consumer credit reporting agency; or~~
- (2) ~~A request for the placement or removal of a security freeze is for a protected consumer who is under the age of sixteen at the time of the request and the consumer credit reporting agency has a credit report pertaining to the protected consumer].”~~

SECTION 6. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 7. This Act shall take effect on July 1, 2018.

(Approved June 4, 2018.)

ACT 23

H.B. NO. 2349

A Bill for an Act Relating to Citations for Motor Vehicle Repair Violations.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Chapter 437B, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

“§437B- Citation for licensee violations; fines. (a) In addition to any other remedy available under this chapter, the department may issue a citation to

any person who holds a motor vehicle repair dealer or motor vehicle mechanic license for any of the following violations of this chapter or the rules adopted pursuant to this chapter and chapter 91:

- (1) Failure of a motor vehicle repair dealer to conspicuously display the dealer's licensure certificate or certification certificate in the dealer's place of business;
 - (2) Failure of a motor vehicle repair dealer to conspicuously place a board-approved sign in all the dealer's motor vehicle repair locations; or
 - (3) Failure of a motor vehicle mechanic to carry or have readily available for inspection the pocket card provided to the motor vehicle mechanic by the department.
- (b) Each citation:
- (1) Shall be in writing and describe the basis of the citation, including the specific statute or rule violated;
 - (2) May contain an order of abatement and the assessment of a fine in the amount of \$250 for each violation by a motor vehicle repair dealer and a fine in the amount of \$100 for each violation by a motor vehicle mechanic;
 - (3) Shall be served on the licensee by personal service; and
 - (4) Shall inform the licensee that the licensee may submit a written request to the board or its designee for a hearing to contest the citation, within twenty calendar days from the service of the citation.
- (c) If the licensee timely submits a written request to the board or its designee for a hearing, the board may designate a hearings officer to conduct the hearing in accordance with chapter 91.
- (d) If the licensee does not timely submit a written request to the board or its designee for a hearing, the citation shall be deemed a final order of the board.
- (e) Failure of a licensee to pay any assessed fine within thirty calendar days, unless the licensee contests the citation, may result in further disciplinary action taken by the board."

SECTION 2. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

SECTION 3. New statutory material is underscored.¹

SECTION 4. This Act shall take effect on July 1, 2018.

(Approved June 4, 2018.)

Note

1. Edited pursuant to HRS §23G-16.5.

ACT 24

S.B. NO. 2740

A Bill for an Act Making Appropriations for Claims Against the State, its Officers, or its Employees.

Be It Enacted by the Legislature of the State of Hawaii:

PART I

SECTION 1. The legislature finds and declares that the following claim for legislative relief recommended for approval as to the following named person

ACT 24

for claims against the State or the department of accounting and general services or its officers or employees for the payment of judgments or settlements, or other liabilities, in the amount set forth opposite their name, is approved for payment:

**JUDGMENTS AGAINST THE STATE
AND SETTLEMENTS OF CLAIMS:**

AMOUNT

1. DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES:

Carrancho, et al. v. City and County of Honolulu, et al., Civil No. 16-1-0246-02, First Circuit	\$ 52,500.00 Settlement
SUBTOTAL:	\$ 52,500.00
TOTAL (SECTION 1):	\$ 52,500.00

Provided that of legislative appropriation item K-37 for the department of accounting and general services for fiscal year 2017-2018 in section 3 of Act 49, Session Laws of Hawaii 2017, the general fund sum of \$52,500 shall be expended from the 2017-2018 budget (AGS 232, general funds) by the department of accounting and general services for the purposes of this Act.

PART II

SECTION 2. The legislature finds and declares that the following claim for legislative relief recommended for approval as to the following named person for claims against the State or the department of education or its officers or employees for the payment of judgments or settlements, or other liabilities, in the amount set forth opposite their name, is approved for payment:

**JUDGMENTS AGAINST THE STATE
AND SETTLEMENTS OF CLAIMS:**

AMOUNT

2. DEPARTMENT OF EDUCATION:

Clark, et al. v. Department of Education, et al., Civil No. 15-1-2486-12, First Circuit	\$ 35,000.00 Settlement
SUBTOTAL:	\$ 35,000.00
TOTAL (SECTION 2):	\$ 35,000.00

Provided that of legislative appropriation item G-6 for the department of education for fiscal year 2017-2018 in section 3 of Act 49, Session Laws of Hawaii 2017, the general fund sum of \$35,000 shall be expended from the 2017-2018 budget (EDN 500, general funds) by the department of education for the purposes of this Act.

PART III

SECTION 3. The legislature finds and declares that the following claim for legislative relief recommended for approval as to the following named person for claims against the State or the department of Hawaiian home lands or its officers or employees for the payment of judgments or settlements, or other liabilities, in the amount set forth opposite their name, is approved for payment:

**JUDGMENTS AGAINST THE STATE
AND SETTLEMENTS OF CLAIMS:**

AMOUNT

3. DEPARTMENT OF HAWAIIAN HOME LANDS:

Arthur, et al. v. State of Hawaii, et al. Civil No. 05-1-1981-11, First Circuit	\$ 200,000.00 Settlement
SUBTOTAL:	\$ 200,000.00
TOTAL (SECTION 3):	\$ 200,000.00

Provided that of legislative appropriation item F-24 for the department of Hawaiian home lands for fiscal year 2017-2018 in section 3 of Act 49, Session Laws of Hawaii 2017, the general fund sum of \$200,000 shall be expended from the 2017-2018 budget (HHL 625, general funds) by the department of Hawaiian home lands for the purposes of this Act.

PART IV

SECTION 4. The legislature finds and declares that the following claim for legislative relief recommended for approval as to the following named person for claims against the State or the department of health or its officers or employees for the payment of judgments or settlements, or other liabilities, in the amount set forth opposite their name, is approved for payment:

**JUDGMENTS AGAINST THE STATE
AND SETTLEMENTS OF CLAIMS:**

AMOUNT

4. DEPARTMENT OF HEALTH:

Johnson v. Rainbow Rehabilitation Services, Inc., et al., Civil No. 07-1-1855-10, First Circuit	\$ 1,601,536.97 Judgment
SUBTOTAL:	\$ 1,601,536.97
TOTAL (SECTION 4):	\$ 1,601,536.97

Provided that of legislative appropriation item E-16 for the department of health for fiscal year 2017-2018 in section 3 of Act 49, Session Laws of Hawaii 2017, the general fund sum of \$1,601,536.97 shall be expended from the 2017-2018 budget (HTH 460, general funds) by the department of health for the purposes of this Act.

PART V

SECTION 5. The legislature finds and declares that the following claims for legislative relief recommended for approval as to the following named persons for claims against the State or the department of human services or its officers or employees for the payment of judgments or settlements, or other liabilities, in the amounts set forth opposite their names, are approved for payment:

**JUDGMENTS AGAINST THE STATE
AND SETTLEMENTS OF CLAIMS:**

AMOUNT

5. DEPARTMENT OF HUMAN SERVICES:

Ah Chong, et al. v. McManaman Civil No. 13-00663 LEK-KSC, USDC	\$ 850,000.00 Settlement
Kalili v. Department of Human Services, et al., Civil No. 13-1-0171, Third Circuit	\$ 115,000.00 Settlement

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Lahti, et al. v. State of Hawaii, et al. Civil No. 08-1-0132(3), Second Circuit	\$ 500,000.00 Settlement
Sheehey, et al. v. State of Hawaii Civil No. 14-1-1709-08 VLC, First Circuit	\$ 2,341,103.10 Settlement
SUBTOTAL:	\$ 3,806,103.10
TOTAL (SECTION 5):	\$ 3,806,103.10

Provided that of legislative appropriation item F-1 for the department of human services for fiscal year 2017-2018 in section 3 of Act 49, Session Laws of Hawaii 2017, the general fund sum of \$3,806,103.10 shall be expended from the 2017-2018 budget (HMS 301, general funds) by the department of human services for the purposes of this Act.

PART VI

SECTION 6. The legislature finds and declares that the following claims for legislative relief recommended for approval as to the following named persons for claims against the State or the department of land and natural resources or its officers or employees for the payment of judgments or settlements, or other liabilities, in the amounts set forth opposite their names, are approved for payment:

**JUDGMENTS AGAINST THE STATE
AND SETTLEMENTS OF CLAIMS:**

6. DEPARTMENT OF LAND AND NATURAL RESOURCES:

	AMOUNT
Claim of Sandra Lee Atkinson Civil No. 13-00663 LEK-KSC, USDC	\$ 20,212.30 Settlement
Umberger, et al. v. Department of Land and Natural Resources, Civil No. 12-1-2626-10, Third Circuit	\$ 74,491.81 Judgment
Corbett v. Kyo-Ya Hotels & Resorts, LP, et al. Civil No. 17-1-0371-03, First Circuit	\$ 75,000.00 Settlement
SUBTOTAL:	\$ 169,704.11
TOTAL (SECTION 6):	\$ 169,704.11

Provided that of legislative appropriation item A-23 for the department of land and natural resources for fiscal year 2017-2018 in section 3 of Act 49, Session Laws of Hawaii 2017, the general fund sum of \$169,704.11 shall be expended from the 2017-2018 budget (LNR 141, general funds) by the department of land and natural resources for the purposes of this Act.

PART VII

SECTION 7. The legislature finds and declares that the following claims for legislative relief recommended for approval as to the following named persons for claims against the State or the department of public safety or its officers or employees for the payment of judgments or settlements, or other liabilities, in the amounts set forth opposite their names, are approved for payment:

**JUDGMENTS AGAINST THE STATE
AND SETTLEMENTS OF CLAIMS:**

AMOUNT

7. DEPARTMENT OF PUBLIC SAFETY:

Hopfe v. State of Hawaii, et al.	\$ 20,000.00
Civil No. 16-1-0645-04, First Circuit	Settlement
Smith v. State of Hawaii, et al.	\$ 50,000.00
Civil No. 14-00432 LEK-KSC, USDC	Settlement
Castro v. Melchor, et al.	\$ 634,465.45
Civil No. 08-1-0901-05, First Circuit SCWC No. 12-0000753	Judgment
SUBTOTAL:	\$ 704,465.45
TOTAL (SECTION 7):	\$ 704,465.45

Provided that of legislative appropriation item I-11 for the department of public safety for fiscal year 2017-2018 in section 3 of Act 49, Session Laws of Hawaii 2017, the general fund sum of \$704,465.45 shall be expended from the 2017-2018 budget (PSD 421, general funds) by the department of public safety for the purposes of this Act.

PART VIII

SECTION 8. The legislature finds and declares that the following claim for legislative relief recommended for approval as to the following named person for claims against the State or the Hawaii state public library system or its officers or employees for the payment of judgments or settlements, or other liabilities, in the amount set forth opposite their name, is approved for payment:

**JUDGMENTS AGAINST THE STATE
AND SETTLEMENTS OF CLAIMS:**

AMOUNT

8. HAWAII STATE PUBLIC LIBRARY SYSTEM:

Woolpert v. State of Hawaii, et al.	\$ 155,000.00
Civil No. 15-1-0923-05, First Circuit	Settlement
SUBTOTAL:	\$ 155,000.00
TOTAL (SECTION 8):	\$ 155,000.00

Provided that of legislative appropriation item G-14 for the Hawaii state public library system for fiscal year 2017-2018 in section 3 of Act 49, Session Laws of Hawaii 2017, the general fund sum of \$155,000 shall be expended from the 2017-2018 budget (EDN 407, general funds) by the Hawaii state public library system for the purposes of this Act.

PART IX

SECTION 9. The following sums or so much thereof as may be necessary for fiscal year 2017-2018 are appropriated out of the state highway fund for the purpose of satisfying claims for legislative relief as to the following named persons, for claims against the State or its officers or employees for payments of judgments or settlements, or other liabilities, in the amount set forth opposite their names:

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**JUDGMENTS AGAINST THE STATE
AND SETTLEMENTS OF CLAIMS:**

AMOUNT

DEPARTMENT OF TRANSPORTATION, HIGHWAYS DIVISION:

Van Vleet v. Costales, et al. Civil No. 17-1-0951-06, First Circuit	\$ 70,000.00 Settlement
Claim of Garrison Property and Casualty Insurance Company USAA	\$ 19,312.84 Settlement
Imada v. State of Hawaii, et al. Civil No. 14-1-0401K, Third Circuit and	
Ocampo v. State of Hawaii, et al. Civil No. 16-1-234K, Third Circuit	\$ 1,300,000.00 Settlement
Amina v. State of Hawaii, et. al. Civil No. 16-1-1080-06, First Circuit	\$ 45,000.00 Settlement
SUBTOTAL:	\$ 1,434,312.84
TOTAL (SECTION 9):	\$ 1,434,312.84

The sums appropriated shall be expended by the department of transportation, highways division, for the purposes of this Act.

PART X

SECTION 10. The sums hereinabove may be paid to the respective persons, or for the satisfaction or settlement of the respectively identified cases, and in several amounts hereinabove set forth or in lesser amounts deemed appropriate, upon checks issued by the comptroller; provided that departments shall obtain the approval of the attorney general before payment of any claim can be made.

SECTION 11. Notwithstanding the sums hereinabove stated as interest upon judgments against the State, payment of interest shall be limited to the period from the date of judgment, if applicable, to thirty days after the effective date of this Act, as provided in section 662-8, Hawaii Revised Statutes, for those cases to which that section applies.

SECTION 12. All unexpended and unencumbered balances of the appropriations made in this Act as of the close of business on June 30, 2019, shall lapse.¹

(Approved June 7, 2018.)

Note

1. Act printed as enacted.

A Bill for an Act Relating to Liquor.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 281-45, Hawaii Revised Statutes, is amended to read as follows:

“§281-45 No license issued, when. No license shall be issued under this chapter:

- (1) To any minor or to any person who has been convicted of a felony and not pardoned, or to any other person not deemed by the commission to be a fit and proper person to have a license; provided that the commission may grant a license under this chapter to a corporation that has been convicted of a felony where the commission finds that the corporation's officers and shareholders of twenty-five per cent or more of outstanding stock are fit and proper persons to have a license;
- (2) To a corporation the officers and directors of which, or any of them, would be disqualified under paragraph (1) from obtaining the license individually, or a stockholder of which, owning or controlling twenty-five per cent or more of the outstanding capital stock, or to a general partnership, limited partnership, limited liability partnership, or limited liability company whose partner or member holding twenty-five per cent or more interest of which, or any of them would be disqualified under paragraph (1) from obtaining the license individually; provided that for publicly-traded companies or entities ultimately solely owned by a publicly-traded company, only the officers and directors designated as primary decision-makers shall be considered to determine disqualification under paragraph (1);
- (3) Unless the applicant for a license or a renewal of a license, or in the case of a transfer of a license, both the transferor and the transferee, present to the issuing agency a tax clearance certificate from the department of taxation [~~and from the Internal Revenue Service~~] showing that the applicant or the transferor and transferee do not owe the state [~~or federal governments~~] government any delinquent taxes, penalties, or interest; or that the applicant, or in the case of a transfer of a license, the transferor or transferee, has entered into an installment plan agreement with the department of taxation [~~and the Internal Revenue Service~~] for the payment of delinquent taxes in installments and that the applicant is or the transferor or transferee is, in the case of a transfer of a license, complying with the installment plan agreement; provided that when the applicant or the transferor or transferee, in the case of a transfer of a license, is validly challenging a tax assessment, penalty, or other proceeding that prevents the issuance of a signed certificate from the appropriate federal or state tax agency, the commission shall issue a license that is valid for the period of time necessary to resolve the challenge;
- (4) To an applicant for a class 2, class 4 except for convenience minimarts, class 5, class 6, class 11, class 12, class 13, class 14, class 15, class 17, or class 18 license unless the applicant for issuance of a license or renewal of a license, or in the case of a transfer of a license, both the transferor and the transferee, present to the issuing

ACT 26

agency proof of liquor liability insurance coverage in an amount of \$1,000,000; or

- (5) To any applicant who has had any liquor license revoked less than two years previous to the date of the application for any like or other license under this chapter.”

SECTION 2. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 3. This Act shall take effect on July 1, 2018.

(Approved June 7, 2018.)

ACT 26

S.B. NO. 2150

A Bill for an Act Relating to the Judiciary.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. This Act shall be known and may be cited as the Judiciary Supplemental Appropriations Act of 2018.

SECTION 2. Act 195, Session Laws of Hawaii 2017, is amended by amending part II to read as follows:

“PART II. PROGRAM APPROPRIATIONS

SECTION 3. The following sums, or so much thereof as may be sufficient to accomplish the purposes and programs designated herein, are appropriated or authorized from the sources of funding specified to the judiciary for the fiscal biennium beginning July 1, 2017, and ending June 30, 2019. The total expenditures and the number of permanent and temporary full-time equivalent positions established in each fiscal year of the fiscal biennium shall not exceed the sums and the position ceilings indicated for each year, except as otherwise provided in this Act or as provided by general law.

PROGRAM APPROPRIATIONS

ITEM NO.	PROG. ID	PROGRAM	EXPENDING AGENCY	APPROPRIATIONS	
				FISCAL YEAR 2017-2018	FISCAL YEAR 2018-2019

The Judicial System

1.	JUD101 - COURTS OF APPEAL			73.00*	73.00*
	OPERATING		JUD	1.00#	1.00#
				6,926,345 A	6,973,769 A
2.	JUD310 - FIRST JUDICIAL CIRCUIT			[-1,085.50*]	[-1,085.50*]
				1,087.50*	1,099.50*
				93.58#	[-93.58#]
					81.58#

PROGRAM APPROPRIATIONS

ITEM NO.	PROG. ID	PROGRAM	EXPENDING AGENCY	APPROPRIATIONS	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
		OPERATING	JUD	84,618,183 A 41.00 *	84,869,401 A 41.00 *
			JUD	4,303,649 B	4,303,649 B
3.	JUD320 - SECOND	JUDICIAL CIRCUIT		207.00 *	[-207.00* 210.50 *
		OPERATING	JUD	1.68 # 16,897,963 A	1.68 # [16,937,804 A 17,184,262 A
4.	JUD330 - THIRD	JUDICIAL CIRCUIT		228.00 *	[-228.00* 234.00 *
		OPERATING	JUD	5.68 # 19,970,037 A	5.68 # [20,018,501 A 20,218,755 A
5.	JUD350 - FIFTH	JUDICIAL CIRCUIT		99.00 *	99.00 *
		OPERATING	JUD	2.60 # 7,765,050 A	2.60 # 7,782,815 A
6.	JUD501 - JUDICIAL SELECTION COMMISSION			1.00 *	1.00 *
		OPERATING	JUD	98,790 A	98,790 A
7.	JUD601 - ADMINISTRATION			227.00 *	227.00 *
		OPERATING	JUD	10.48 # 26,762,596 A	10.48 # [26,417,387 A 26,867,387 A
				1.00 *	1.00 *
				9.00 #	9.00 #
			JUD	7,993,737 B	7,993,737 B
			JUD	343,261 W	343,261 W
		INVESTMENT CAPITAL	JUD	7,750,000 C	[-1,600,000 C 8,500,000 C"

SECTION 3. Act 195, Session Laws of Hawaii 2017, is amended by adding a new section to part III to read as follows:

“SECTION 7.1. Provided that of the general fund appropriation for administration (JUD601), the sum of \$450,000 or so much thereof as may be necessary for fiscal year 2018-2019 shall be expended for general civil legal services for indigent residents; provided further that general civil legal services to indigent residents shall be provided by legal service providers:

- (1) With clients whose income levels do not exceed 250 per cent of the applicable federal poverty level for Hawaii;
- (2) With current and valid IRS 501(c)(3) status;
- (3) That can demonstrate that it has in place and utilizes guidelines that effectively screen for income eligibility and type of cases accepted;
- (4) Whose essential mission is the provision of general civil legal services and may not have as its central mission the provision of specialized types of legal services; and

- (5) That complete the requisite detailed application requesting funding from the governmental entity or its designee responsible for the allocation of this funding.”

SECTION 4. Act 195, Session Laws of Hawaii 2017, is amended by amending part IV to read as follows:

“PART IV. CAPITAL IMPROVEMENT PROJECTS

SECTION 8. CAPITAL IMPROVEMENT PROJECTS AUTHORIZED.

The sums of money appropriated or authorized in part II of this Act for capital improvements shall be expended for the projects listed below. Several related or similar projects may be combined into a single project if such combination is advantageous or convenient for implementation; provided that the total cost of the projects thus combined shall not exceed the total of the sums specified for the projects separately. The amount after each cost element and the amount of total funding for each project in this part are listed in thousands of dollars.

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL YEAR 2017-2018	FISCAL YEAR 2018-2019

A. ECONOMIC DEVELOPMENT

JUD601 - ADMINISTRATION

1.	EWA DISTRICT COURT MITIGATE WATER INTRUSION AND SETTLEMENT - PHASE 2, OAHU				
	DESIGN AND CONSTRUCTION TO MITIGATE WATER INTRUSION AND SETTLEMENT - PHASE 2, OAHU.				
	DESIGN			20	
	CONSTRUCTION			200	
	TOTAL FUNDING	JUD		220C	C
2.	EWA DISTRICT COURT ROOF FALL PROTECTION AND RE-ROOFING, OAHU				
	DESIGN AND CONSTRUCTION OF ROOF FALL PROTECTION AND RE-ROOFING, OAHU.				
	DESIGN			25	
	CONSTRUCTION			175	
	TOTAL FUNDING	JUD		200C	C
3.	HOAPILI HALE SECURITY IMPROVEMENTS PHASES 1, 2, AND 3, MAUI				
	DESIGN AND CONSTRUCTION FOR SECURITY-RELATED IMPROVEMENTS AT HOAPILI HALE, MAUI				
	DESIGN			100	150
	CONSTRUCTION			900	1,450
	TOTAL FUNDING	JUD		1,000C	1,600C

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
4.		<p>KAAHUMANU HALE FIRE ALARM AND ELEVATOR SYSTEMS UPGRADE AND MODERNIZATION, OAHU.</p> <p>PLANS AND DESIGN FOR FIRE ALARM AND ELEVATOR UPGRADE AND MODERNIZATION AT KAAHUMANU HALE, OAHU.</p>			
		PLANS		253	
		DESIGN		1,012	
		TOTAL FUNDING	JUD	1,265 C	
5.		<p>KAPUAIWA BUILDING SEPARATE STORM DRAIN AND SANITARY SEWER SYSTEMS, OAHU</p> <p>DESIGN AND CONSTRUCTION FOR THE STORM DRAINAGE AND BASEMENT LEVEL SANITARY SEWER LINES OF THE JUDICIARY'S KAPUAIWA BUILDING. THE KAPUAIWA BUILDING CURRENTLY COMBINES AND DISCHARGES INTO THE CITY AND COUNTY OF HONOLULU'S ("CITY") SANITARY SEWER COLLECTION SYSTEM. NOT ONLY IS THIS COMBINED DISCHARGE CONTRIBUTING TO THE RECENT FLOODING IN THE KAPUAIWA BASEMENT, BUT IT IS A VIOLATION OF CITY AND COUNTY OF HONOLULU ORDINANCE. THIS PROJECT WILL ADD A NEW SANITARY SEWER LIFT STATION, MODIFY THE EXISTING PUMP STATION TO SERVE THE STORM DRAINAGE, AND SEPARATE STORM WATER AND WASTEWATER DISCHARGE FLOWS.</p>			
		DESIGN		125	
		CONSTRUCTION		550	
		TOTAL FUNDING	JUD	675 C	
[6.		<p>KAUAI JUDICIARY COMPLEX REROOF AND REPAIR LEAKS AND DAMAGES, KAUAI</p> <p>DESIGN AND CONSTRUCTION TO REROOF COURTHOUSE. REPAIR COOLING TOWER ROOF. INSTALL FALL PROTECTION SAFETY ANCHORS. INSTALL ROOF ACCESS HATCH AND LADDER. REPAIR AND REPAINT EXTERIOR FINISH SYSTEM AT EXTERIOR WALLS. RESEAL WINDOWS. REPLACE EXTERIOR DOORS. REPAIR WATER DAMAGES AT INTERIOR LOCATIONS. REPAIR OTHER INCIDENTAL DAMAGES.</p>			
		DESIGN		390	
		CONSTRUCTION		1,000	
		TOTAL FUNDING	JUD	1,390 E	

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL YEAR 2017-2018	FISCAL YEAR 2018-2019
6.		<u>KAUAI JUDICIARY COMPLEX REROOF AND REPAIR LEAKS AND DAMAGES, KAUAI</u>			
		<u>DESIGN AND CONSTRUCTION TO REROOF COURTHOUSE. REPAIR COOLING TOWER ROOF. INSTALL FALL PROTECTION SAFETY ANCHORS. INSTALL ROOF ACCESS HATCH AND LADDER. REPAIR AND REPAINT EXTERIOR FINISH SYSTEM AT EXTERIOR WALLS. RESEAL WINDOWS. REPLACE EXTERIOR DOORS. REPAIR WATER DAMAGES AT INTERIOR LOCATIONS. REPAIR OTHER INCIDENTAL DAMAGES.</u>			
		DESIGN		390	
		CONSTRUCTION		1,000	1,100
		TOTAL FUNDING	JUD	1,390	1,100
7.		LUMP SUM CIP FOR JUDICIARY FACILITIES, STATEWIDE			
		PLANS, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR THE GENERAL ALTERATIONS, UPGRADES, AND IMPROVEMENTS TO JUDICIARY FACILITIES, STATEWIDE.			
		PLANS		50	
		DESIGN		300	
		CONSTRUCTION		2,625	
		EQUIPMENT		25	
		TOTAL FUNDING	JUD	3,000	C
7.01.		<u>KONA JUDICIARY COMPLEX, HAWAII</u>			
		<u>PROVIDE FURNITURE AND EQUIPMENT FOR NEW JUDICIARY COMPLEX AT KONA, HAWAII</u>			
		CONSTRUCTION			5,800
		TOTAL FUNDING	JUD	C	5,800

SECTION 5. Act 195, Session Laws of Hawaii 2017, is amended by amending part V to read as follows:

“PART V. ISSUANCE OF BONDS

SECTION 9. General obligation bonds may be issued, as provided by law, to yield the amount that may be necessary to finance projects authorized in part II and listed in part IV of this Act; provided that the sum total of the general obligation bonds so issued shall not exceed [~~\$9,350,000~~] \$16,250,000.”

SECTION 6. Act 195, Session Laws of Hawaii 2017, is amended by adding two new sections to part VI to read as follows:

“SECTION 11.1. All unrequired balances in the general obligation bond fund, after the objectives of part II appropriations for capital improvements program purposes listed as projects in part IV of this Act have been met, shall be transferred to the judiciary project adjustment fund.

SECTION 11.2. If the amount allocated from the general obligation bond fund for a capital improvement project listed in part IV of this Act is insufficient, the chief justice may make supplemental allotments from the project adjustment fund, provided that supplemental allotments shall not be used to increase the scope of the project.”

SECTION 7. If any portion of this Act or its application to any person or circumstances is held to be invalid for any reason, the remainder of the Act and any provision thereof shall not be affected. If any portion of a specific appropriation is held to be invalid for any reason, the remaining portion shall be independent of the invalid portion and shall be expended to fulfill the objective and intent of the appropriation to the extent possible.

SECTION 8. If any manifest clerical, typographical, or other mechanical error is found in this Act, the chief justice is authorized to correct the error. All changes made pursuant to this section shall be reported to the legislature at its next regular session.

SECTION 9. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 10. This Act shall take effect on July 1, 2018.

(Approved June 7, 2018.)

ACT 27

S.B. NO. 2821

A Bill for an Act Relating to Conformity to the Internal Revenue Code.

Be It Enacted by the Legislature of the State of Hawaii:

PART I

SECTION 1. The purpose of this Act is to conform Hawaii income and estate and generation-skipping transfer tax laws to the Internal Revenue Code, except as provided by this Act.

PART II

SECTION 2. Section 235-2.3, Hawaii Revised Statutes, is amended to read as follows:

“§235-2.3 Conformance to the federal Internal Revenue Code; general application. (a) For all taxable years beginning after December 31, ~~[2016;]~~ 2017, as used in this chapter, except as provided in section 235-2.35, “Internal Revenue Code” means subtitle A, chapter 1, of the federal Internal Revenue Code of 1986, as amended as of ~~[December 31, 2016;]~~ February 9, 2018, as it applies to the determination of gross income, adjusted gross income, ordinary income and loss, and taxable income, except those provisions of the Internal Revenue Code and federal public laws which, pursuant to this chapter, do not apply or are otherwise limited in application and except for the provisions of Public Law 109-001 which apply to section 170 of the Internal Revenue Code. The provisions of Public Law 109-001 to accelerate the deduction for charitable cash contributions for the relief of victims of the 2004 Indian Ocean tsunami are applicable for

the calendar year that ended December 31, 2004, and the calendar year ending December 31, 2005.

Prior law shall continue to be used to determine:

- (1) The basis of property, if a taxpayer first determined the basis of property in a taxable year to which prior law applies; and
 - (2) Gross income, adjusted gross income, ordinary income and loss, and taxable income for a taxable year to which prior law applies.
- (b) The following Internal Revenue Code subchapters, parts of subchapters, sections, subsections, and parts of subsections shall not be operative for the purposes of this chapter, unless otherwise provided:
- (1) Subchapter A (sections 1 to 59A) (with respect to determination of tax liability), except section 1(h)(2) (relating to net capital gain reduced by the amount taken into account as investment income), except sections 2(a), 2(b), and 2(c) (with respect to the definition of “surviving spouse” and “head of household”), except section 41 (with respect to the credit for increasing research activities), except section 42 (with respect to low-income housing credit), except sections 47 and 48, as amended, as of December 31, 1984 (with respect to certain depreciable tangible personal property), and except section 48(d)(3), as amended, as of February 17, 2009 (with respect to the treatment of United States Department of Treasury grants made under section 1603 of the American Recovery and Reinvestment Tax Act of 2009). For treatment, see sections 235-110.91, 235-110.7, and 235-110.8;
 - (2) Section 78 (with respect to dividends received from certain foreign corporations by domestic corporations choosing foreign tax credit);
 - (3) Section 86 (with respect to social security and tier 1 railroad retirement benefits);
 - (4) Section 91 (with respect to certain foreign branch losses transferred to specified 10-percent owned foreign corporations);
 - ~~[(4)]~~ (5) Section 103 (with respect to interest on state and local bonds). For treatment, see section 235-7(b);
 - ~~[(5)]~~ (6) Section 114 (with respect to extraterritorial income). For treatment, any transaction as specified in the transitional rule for 2005 and 2006 as specified in the American Jobs Creation Act of 2004 section 101(d) and any transaction that has occurred pursuant to a binding contract as specified in the American Jobs Creation Act of 2004 section 101(f) are inoperative;
 - ~~[(6)]~~ (7) Section 120 (with respect to amounts received under qualified group legal services plans). For treatment, see section 235-7(a)(9) to (11);
 - ~~[(7)]~~ (8) Section 122 (with respect to certain reduced uniformed services retirement pay). For treatment, see section 235-7(a)(3);
 - ~~[(8)]~~ (9) Section 135 (with respect to income from United States savings bonds used to pay higher education tuition and fees). For treatment, see section 235-7(a)(1);
 - ~~[(9)]~~ (10) Section 139C (with respect to COBRA premium assistance);
 - ~~[(10)]~~ (11) Subchapter B (sections 141 to 150) (with respect to tax exemption requirements for state and local bonds);
 - ~~[(11)]~~ (12) Section 151 (with respect to allowance of deductions for personal exemptions). For treatment, see section 235-54;
 - ~~[(12)]~~ (13) Section 179B (with respect to expensing of capital costs incurred in complying with Environmental Protection Agency sulphur regulations);

- [13] (14) Section 181 (with respect to special rules for certain film and television productions);
- [14] (15) Section 196 (with respect to deduction for certain unused investment credits);
- [15] (16) Section 199 (with respect to the U.S. production activities deduction);
- (17) Section 199A (with respect to qualified business income);
- [16] (18) Section 222 (with respect to qualified tuition and related expenses);
- [17] (19) Sections 241 to 247 (with respect to special deductions for corporations). For treatment, see section 235-7(c);
- (20) Section 250 (with respect to foreign-derived intangible income and global intangible low-taxed income);
- (21) Section 267A (with respect to certain related party amounts paid or accrued in hybrid transactions or with hybrid entities);
- [18] (22) Section 280C (with respect to certain expenses for which credits are allowable). For treatment, see section 235-110.91;
- [19] (23) Section 291 (with respect to special rules relating to corporate preference items);
- [20] (24) Section 367 (with respect to foreign corporations);
- [21] (25) Section 501(c)(12), (15), (16) (with respect to exempt organizations); except that section 501(c)(12) shall be operative for companies that provide potable water to residential communities that lack any access to public utility water services;
- [22] (26) Section 515 (with respect to taxes of foreign countries and possessions of the United States);
- [23] (27) Subchapter G (sections 531 to 565) (with respect to corporations used to avoid income tax on shareholders);
- [24] (28) Subchapter H (sections 581 to 597) (with respect to banking institutions), except section 584 (with respect to common trust funds). For treatment, see chapter 241;
- [25] (29) Section 642(a) and (b) (with respect to special rules for credits and deductions applicable to trusts). For treatment, see sections 235-54(b) and 235-55;
- [26] (30) Section 646 (with respect to tax treatment of electing Alaska Native settlement trusts);
- [27] (31) Section 668 (with respect to interest charge on accumulation distributions from foreign trusts);
- [28] (32) Subchapter L (sections 801 to 848) (with respect to insurance companies). For treatment, see sections 431:7-202 and 431:7-204;
- [29] (33) Section 853 (with respect to foreign tax credit allowed to shareholders). For treatment, see section 235-55;
- [30] (34) Section 853A (with respect to credits from tax credit bonds allowed to shareholders);
- [31] (35) Subchapter N (sections 861 to 999) (with respect to tax based on income from sources within or without the United States), except sections 985 to 989 (with respect to foreign currency transactions). For treatment, see sections 235-4, 235-5, and 235-7(b), and 235-55;
- [32] (36) Section 1042(g) (with respect to sales of stock in agricultural refiners and processors to eligible farm cooperatives);
- [33] (37) Section 1055 (with respect to redeemable ground rents);
- [34] (38) Section 1057 (with respect to election to treat transfer to foreign trust, etc., as taxable exchange);

- [(35)] (39) Sections 1291 to 1298 (with respect to treatment of passive foreign investment companies);
- [(36)] (40) Subchapter Q (sections 1311 to 1351) (with respect to readjustment of tax between years and special limitations);
- [(37)] (41) Subchapter R (sections 1352 to 1359) (with respect to election to determine corporate tax on certain international shipping activities using per ton rate);
- [(38)] (42) Subchapter U (sections 1391 to 1397F) (with respect to designation and treatment of empowerment zones, enterprise communities, and rural development investment areas). For treatment, see chapter 209E;
- [(39)] (43) Subchapter W (sections 1400 to 1400C) (with respect to District of Columbia enterprise zone);
- [(40)] (44) Section 1400O (with respect to education tax benefits);
- [(41)] (45) Section 1400P (with respect to housing tax benefits);
- [(42)] (46) Section 1400R (with respect to employment relief);
- [(43)] (47) Section 1400T (with respect to special rules for mortgage revenue bonds);
- [(44)] (48) Section 1400U-1 (with respect to allocation of recovery zone bonds);
- [(45)] (49) Section 1400U-2 (with respect to recovery zone economic development bonds); [and]
- [(46)] (50) Section 1400U-3 (with respect to recovery zone facility bonds) [-]; and
- (51) Subchapter Z (sections 1400Z-1 to 1400Z-2) (with respect to opportunity zones)."

SECTION 3. Section 235-2.4, Hawaii Revised Statutes, is amended to read as follows:

"§235-2.4 Operation of certain Internal Revenue Code provisions; sections 63 to 530. (a) Section 63 (with respect to taxable income defined) of the Internal Revenue Code shall be operative for the purposes of this chapter, subject to the following:

- (1) Section 63(c)(1)(B) (relating to the additional standard deduction), 63(c)(1)(C) (relating to the real property tax deduction), 63(c)(1)(D) (relating to the disaster loss deduction), 63(c)(1)(E) (relating to the motor vehicle sales tax deduction), 63(c)(4) (relating to inflation adjustments), 63(c)(7) (defining the real property tax deduction), 63(c)(8) (defining the disaster loss deduction), 63(c)(9) (defining the motor vehicle sales tax deduction), and 63(f) (relating to additional amounts for the aged or blind) of the Internal Revenue Code shall not be operative for purposes of this chapter;
- (2) Section 63(c)(2) (relating to the basic standard deduction) of the Internal Revenue Code shall be operative, except that the standard deduction amounts provided therein shall instead mean:
 - (A) \$4,400 in the case of:
 - (i) A joint return as provided by section 235-93; or
 - (ii) A surviving spouse (as defined in section 2(a) of the Internal Revenue Code);
 - (B) \$3,212 in the case of a head of household (as defined in section 2(b) of the Internal Revenue Code);
 - (C) \$2,200 in the case of an individual who is not married and who is not a surviving spouse or head of household; or

(D) \$2,200 in the case of a married individual filing a separate return;

- (3) Section 63(c)(5) (limiting the basic standard deduction in the case of certain dependents) of the Internal Revenue Code shall be operative, except that the limitation shall be the greater of \$500 or the individual's earned income; and
- (4) The standard deduction amount for nonresidents shall be calculated pursuant to section 235-5.

(b) Section 67 (with respect to the 2-percent floor on miscellaneous itemized deductions) of the Internal Revenue Code shall be operative for purposes of this chapter, except that the suspension in section 67(g) shall not be operative for purposes of this chapter.

~~[(b)] (c)~~ Section 68 (with respect to the overall limitation on itemized deductions) of the Internal Revenue Code shall be operative; provided that the ~~thresholds~~:

- (1) Thresholds shall be those that were operative for federal tax year 2009[-]; and
- (2) Suspension in section 68(f) shall not be operative for purposes of this chapter.

~~[(e)] (d)~~ Section 72 (with respect to annuities; certain proceeds of endowment and life insurance contracts) of the Internal Revenue Code shall be operative for purposes of this chapter and be interpreted with due regard to section 235-7(a), except that the ten per cent additional tax on early distributions from retirement plans in section 72(t) shall not be operative for purposes of this chapter.

~~[(d)] (e)~~ Section 85 (with respect to unemployment compensation) of the Internal Revenue Code shall be operative for purposes of this chapter, except that section 85(c) shall not be operative for purposes of this chapter.

~~[(e)] (f)~~ Section 108 (with respect to income from discharge of indebtedness) of the Internal Revenue Code shall be operative for purposes of this chapter, except that section 108(i) (relating to deferral and ratable inclusion of income arising from business indebtedness discharged by the reacquisition of a debt instrument) shall not be operative for purposes of this chapter.

~~[(f)] (g)~~ Section 121 (with respect to exclusion of gain from sale of principal residence) of the Internal Revenue Code shall be operative for purposes of this chapter, except that for the election under section 121(f), a reference to section 1034 treatment means a reference to section ~~[235-2.4(s)] 235-2.4(n)~~ in effect for taxable year 1997.

~~[(g)] (h)~~ Section 132 (with respect to certain fringe benefits) of the Internal Revenue Code shall be operative for purposes of this chapter, except that ~~the provision~~:

- (1) The suspensions in [section 132(f)(2) that equalizes the dollar amounts for section 132(f)(2)(A) and (B)] section 132(f)(8) and 132(g)(2) shall not be operative for purposes of this chapter; and [except that section]
- (2) Section 132(n) shall not apply to United States Department of Defense Homeowners Assistance Program payments authorized by the American Recovery and Reinvestment Act of 2009.

(i) Section 162 (with respect to trade or business expenses) of the Internal Revenue Code shall be operative for the purposes of this chapter, except that sections 162(f)(2), (3), and (4) (all of which relate to exceptions to the general rule, established in section 162(f)(1), that no deduction is allowed for the payment of fines or penalties) shall not be operative for purposes of this chapter.

~~[(h)]~~ (j) Section 163 (with respect to interest) of the Internal Revenue Code shall be operative for the purposes of this chapter, except that the following provisions ~~[in section]~~ shall not be operative for purposes of this chapter:

- (1) Section 163(d)(4)(B) (defining net investment income to exclude dividends)~~[-section]~~;
- (2) Section 163(e)(5)(F) (suspension of applicable high-yield discount obligation (AHYDO) rules);
- (3) Section 163(h)(3)(F) (limiting mortgage interest); and ~~[section]~~
- (4) Section 163(i)(1) as it applies to debt instruments issued after January 1, 2010, (defining AHYDO) ~~[shall not be operative for the purposes of this chapter]~~.

~~[(i)]~~ (k) Section 164 (with respect to taxes) of the Internal Revenue Code shall be operative for the purposes of this chapter, except that:

- (1) Section ~~[164(a)(6) and (b)(6)]~~ 164(b)(6)(B) (limiting the deduction for state and local taxes) shall not be operative for the purposes of this chapter;
- (2) The deductions under section 164(a)(3) and (b)(5) shall not be operative for corporate taxpayers and shall be operative only for the following individual taxpayers:
 - (A) A taxpayer filing a single return or a married person filing separately with a federal adjusted gross income of less than \$100,000;
 - (B) A taxpayer filing as a head of household with a federal adjusted gross income of less than \$150,000; and
 - (C) A taxpayer filing a joint return or as a surviving spouse with a federal adjusted gross income of less than \$200,000; and
- (3) Section 164(a)(3) shall not be operative for any amounts for which the credit under section 235-55 has been claimed.

~~[(j)]~~ (l) Section 165 (with respect to losses) of the Internal Revenue Code shall be operative for purposes of this chapter, except that ~~[the]~~:

- (1) The amount prescribed by sections 165(h)(1) (relating to the limitation per casualty) of the Internal Revenue Code shall be a \$100 limitation per casualty~~[-and section]~~;
- (2) Section 165(h)(3)(A) and (B) (both of which relate to special rules for personal casualty gains and losses in federally declared disasters) of the Internal Revenue Code shall not be operative for the purposes of this chapter~~[-]~~;
- (3) Section 165(h)(5) (relating to the limitation on the deductibility of personal casualty losses that are not attributable to federally declared disasters) shall not be operative for purposes of this chapter; and
- (4) Section 165 as operative for this chapter shall also apply to losses sustained from the sale of stocks or other interests issued through the exercise of the stock options or warrants granted by a qualified high technology business as defined in section 235-7.3.

~~[(k)]~~ (m) Section 168 (with respect to the accelerated cost recovery system) of the Internal Revenue Code shall be operative for purposes of this chapter, except that sections 168(j) (relating to property on Indian reservations), 168(k) (relating to the special allowance for certain property acquired during the period specified therein), 168(m) (relating to the special allowance for certain reuse and recycling property), and 168(n) (relating to the special allowance for qualified disaster assistance property) of the Internal Revenue Code shall not be operative for purposes of this chapter.

~~[(h)]~~ (n) Section 172 (with respect to net operating loss deductions) of the Internal Revenue Code shall be operative for purposes of this chapter, as further provided in section 235-7(d), except that section 172(b)(1)(J) and (j) (both of which relate to qualified disaster losses) of the Internal Revenue Code shall not be operative for purposes of this chapter.

~~[(m)]~~ (o) Section 179 (with respect to the election to expense certain depreciable business assets) of the Internal Revenue Code shall be operative for purposes of this chapter, except as provided in this subsection:

- (1) The aggregate cost provided in section 179(b)(1), which may be taken into account under section 179(a) for any taxable year, shall not exceed \$25,000;
- (2) The amount at which the reduction in limitation provided in section 179(b)(2) begins shall exceed \$200,000 for any taxable year; and
- (3) The following shall not be operative for purposes of this chapter:
 - (A) Defining section 179 property to include computer software in section 179(d)(1);
 - (B) Inflation adjustments in section 179(b)(5);
 - (C) Irrevocable election in section 179(c)(2); and
 - (D) Special rules for qualified disaster assistance property in section 179(e).

~~[(n)]~~ (p) Section 198A (with respect to the expensing of qualified disaster assistances expenses) of the Internal Revenue Code shall not be operative for purposes of this chapter.

(q) Section 217 (with respect to moving expenses) of the Internal Revenue Code shall be operative for purposes of this chapter, except that the suspension in section 217(k) shall not be operative for purposes of this chapter.

~~[(o)]~~ (r) Section 219 (with respect to retirement savings) of the Internal Revenue Code shall be operative for the purpose of this chapter. For the purpose of computing the limitation on the deduction for active participants in certain pension plans for state income tax purposes, adjusted gross income as used in section 219 as operative for this chapter means federal adjusted gross income.

~~[(p)]~~ (s) Section 220 (with respect to medical savings accounts) of the Internal Revenue Code shall be operative for the purpose of this chapter, but only with respect to medical services accounts that have been approved by the Secretary of the Treasury of the United States.

~~[(q)]~~ (t) Section 265 (with respect to expenses and interest relating to tax-exempt income) of the Internal Revenue Code shall be operative for purposes of this chapter; except that section 265(b)(3)(G) and (7) shall not be operative and section 265 shall not apply to expenses for royalties and other income derived from any patents, copyrights, and trade secrets by an individual or a qualified high technology business as defined in section 235-7.3. These expenses shall be deductible.

(u) Section 274 (with respect to the disallowance of certain entertainment, etc., expenses) of the Internal Revenue Code shall be operative for this chapter in the form that it existed as of December 21, 2017.

~~[(r)]~~ (v) Section 280E (with respect to expenditures in connection with the illegal sale of drugs) of the Internal Revenue Code shall be operative for the purposes of this chapter, except that section 280E shall not be operative with respect to the production and sale of medical cannabis and manufactured cannabis products by dispensaries licensed under chapter 329D and their subcontractors, as defined in section 329D-1.

~~[(s)]~~ (w) Section 382 (with respect to limitation on net operating loss carryforwards and certain built-in losses following ownership change) of the

Internal Revenue Code shall be operative for the purposes of this chapter, except that section 382(n) shall not be operative for purposes of this chapter.

~~[(t)]~~ ~~(x)~~ Section 408A (with respect to Roth Individual Retirement Accounts) of the Internal Revenue Code shall be operative for the purposes of this chapter, except that section 408A(d)(3)(A)(iii) shall not be operative for purposes of this chapter. For the purposes of determining the aggregate amount of contributions to a Roth Individual Retirement Account or qualified rollover contribution to a Roth Individual Retirement Account from an individual retirement plan other than a Roth Individual Retirement Account, adjusted gross income as used in section 408A as operative for this chapter means federal adjusted gross income.

~~[(u)]~~ ~~(y)~~ In administering the provisions of sections 410 to 417 (with respect to special rules relating to pensions, profit sharing, stock bonus plans, etc.), sections 418 to 418E (with respect to special rules for multiemployer plans), and sections 419 and 419A (with respect to treatment of welfare benefit funds) of the Internal Revenue Code, the department of taxation shall adopt rules under chapter 91 relating to the specific requirements under those sections and to other administrative requirements under those sections as may be necessary for the efficient administration of sections 410 to 419A.

In administering sections 401 to 419A (with respect to deferred compensation) of the Internal Revenue Code, Public Law 93-406, section 1017(i), shall be operative for the purposes of this chapter.

In administering section 402 (with respect to the taxability of beneficiary of employees' trust) of the Internal Revenue Code, the tax imposed on lump sum distributions by section 402(e) of the Internal Revenue Code shall be operative for the purposes of this chapter and the tax imposed therein is hereby imposed by this chapter at the rate determined under this chapter.

~~[(v)]~~ ~~(z)~~ In administering section 403 (with respect to taxation of employee annuities) of the Internal Revenue Code, any funds that represent pre-tax employee deferrals or contributions that are distributed from the annuity and used solely to obtain retirement credits under the state employees' retirement system shall not be treated as a rollover for purposes of section 403(b)(8)(A) of the Internal Revenue Code, and those funds shall be subject to income tax under this chapter.

~~[(w)]~~ ~~(aa)~~ Section 451 (which provides general rules for taxable year of inclusion) of the Internal Revenue Code shall be operative, except that section 451(j)¹(3) and (6), as it relates to a qualified electric utility, shall not be operative for purposes of this chapter.

~~[(x)]~~ ~~(bb)~~ In administering section 457 (with respect to compensation plans of state and local governments and tax-exempt organizations) of the Internal Revenue Code, any funds that represent pre-tax employee deferrals or contributions that are distributed from the deferred compensation plan and used solely to obtain retirement credits under the state employees' retirement system shall not be treated as a rollover for purposes of section 457(e)(16)(A) of the Internal Revenue Code and those funds shall be subject to income tax under this chapter.

~~[(y)]~~ ~~(cc)~~ Section 468B (with respect to special rules for designated settlement funds) of the Internal Revenue Code shall be operative for the purposes of this chapter and the tax imposed therein is hereby imposed by this chapter at a rate equal to the maximum rate in effect for the taxable year imposed on estates and trusts under section 235-51.

~~[(z)]~~ ~~(dd)~~ Section 469 (with respect to passive activities and credits limited) of the Internal Revenue Code shall be operative for the purposes of this chapter. For the purpose of computing the offset for rental real estate activities

for state income tax purposes, adjusted gross income as used in section 469 as operative for this chapter means federal adjusted gross income.

~~[(aa)]~~ (ee) Sections 512 to 514 (with respect to taxation of business income of certain exempt organizations) of the Internal Revenue Code shall be operative for the purposes of this chapter as provided in this subsection.

“Unrelated business taxable income” means the same as in the Internal Revenue Code, except that in the computation thereof sections 235-3 to 235-5, and 235-7 (except subsection (c)), shall apply, and in the determination of the net operating loss deduction there shall not be taken into account any amount of income or deduction that is excluded in computing the unrelated business taxable income. Unrelated business taxable income shall not include any income from a legal service plan.

For a person described in section 401 or 501 of the Internal Revenue Code, as modified by section 235-2.3, the tax imposed by section 235-51 or 235-71 shall be imposed upon the person’s unrelated business taxable income.

~~[(bb)]~~ (ff) Section 521 (with respect to cooperatives) and subchapter T (sections 1381 to 1388, with respect to cooperatives and their patrons) of the Internal Revenue Code shall be operative for the purposes of this chapter as to any cooperative fully meeting the requirements of section 421-23, except that Internal Revenue Code section 521 cooperatives need not be organized in Hawaii.

~~[(ee)]~~ (gg) Sections 527 (with respect to political organizations) and 528 (with respect to certain homeowners associations) of the Internal Revenue Code shall be operative for the purposes of this chapter and the taxes imposed in each section are hereby imposed by this chapter at the rates determined under section 235-71.

~~[(dd)]~~ (hh) Section 529 (with respect to qualified tuition programs) shall be operative for the purposes of this chapter, except that sections 529(c)(6), 529(c)(7), and 529(e)(3)(A)(iii) shall not be operative.

~~[(ee)]~~ (ii) Section 529A (with respect to qualified ABLE programs) shall be operative for the purposes of this chapter, except that section 529A(c)(3) (with respect to additional tax for distributions not used for disability expenses) shall not be operative.

~~[(ff)]~~ (jj) Section 530 (with respect to Coverdell education savings accounts) of the Internal Revenue Code shall be operative for the purposes of this chapter. For the purpose of determining the maximum amount that a contributor could make to an education individual retirement account for state income tax purposes, modified adjusted gross income as used in section 530 as operative for this chapter means federal modified adjusted gross income as defined in section 530.”

SECTION 4. Section 235-2.45, Hawaii Revised Statutes, is amended as follows:

1. By amending subsection (h) to read:

“(h) Subchapter S (sections 1361 to 1379) (with respect to tax treatment of S corporations and their shareholders) of chapter 1 of the Internal Revenue Code shall be operative for the purposes of this chapter as provided in part VII[; except that section 1374(d)(7)(B), (C), and (D) shall not be operative for purposes of this chapter].”

2. By amending subsections (m) and (n) to read:

“(m) Sections 6221, 6222, 6223, 6225, and ~~[623+]~~ 6226 (with respect to ~~[tax treatment of]~~ partnership ~~[items]~~ audits) of subchapter C of chapter 63 of the Internal Revenue Code shall be operative for the purposes of this chapter[-]; provided that if a taxpayer makes the election under section 6221(b) for federal

income tax purposes, that taxpayer shall also make the same election for Hawaii income tax purposes.

(n) [Subchapter D (sections 6240 to 6255) (with respect to simplified audit procedures for electing large partnerships)] Section 6241 (with respect to definitions and special rules regarding partnerships) of the Internal Revenue Code shall be operative for the purposes of this chapter[~~, with due regard to chapter 232 relating to tax appeals.~~], except that the definitions that appear in items numbered (1), (3), and (5) shall not be operative for purposes of this chapter.”

PART III

SECTION 5. Chapter 236E, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

“§236E- Audit of return; procedure upon failure to file return; additional taxes; limitation period. (a) The director of taxation, or the director’s designee, is authorized and empowered to examine all account books, bank books, bank statements, records, vouchers, copies of federal tax returns, and any and all other documents and evidence having any relevance to the determination of any amount relevant to the Hawaii transfer tax, as required to be returned under this chapter, and the director may employ the director’s powers under section 231-7 for these purposes.

(b) If the department discovers from the examination of the return or otherwise that any amount has not been assessed or otherwise properly included in determining any amount relevant to the Hawaii transfer tax, it may assess those amounts.

(c) If the person required to file the return required under this chapter fails to file the return or declines to authenticate a return, the department shall make a return for the person based upon the best information obtainable and shall levy and assess against the person the tax as shown on the return.

(d) For the purposes of this section, the department shall give notice of the assessment to the person required to file the return required under this chapter. The person put on notice shall have thirty days to confer with the department as to the proposed assessment. After the expiration of thirty days from the notification, the department shall finalize the assessment and give notice to the person of the tax and interest and penalties, if any. The amount shall be paid within twenty days after the date the notice, properly addressed to the person required to file the return required to be filed under this chapter, is mailed to the person’s last known address.

(e) In the case of an audit commenced under this section, the amount of Hawaii transfer tax imposed by this chapter shall be assessed or levied within three years after the return was filed, or within three years of the due date prescribed for the filing of that return, whichever is later. In the case of a false or fraudulent return with intent to evade tax, or of a failure to file a return, the tax may be assessed or levied at any time; provided that the burden of proof with respect to the issues of falsity or intent to evade tax shall be upon the State. The limitation period shall be suspended if the person required to file the return agrees to suspend the period.”

SECTION 6. Section 236E-2, Hawaii Revised Statutes, is amended by amending the definition of “applicable generation-skipping transfer tax rate” to read as follows:

“Applicable generation-skipping transfer tax rate” means 2.25 per cent multiplied by the inclusion ratio with respect to any property transferred in a

generation-skipping transfer as determined under section 2642 of the Internal Revenue Code[-] as amended as of December 21, 2017.”

SECTION 7. Section 236E-3, Hawaii Revised Statutes, is amended to read as follows:

“§236E-3 Conformance to the Internal Revenue Code; general application. For all decedents dying after December 31, [~~2016;~~ 2017, as used in this chapter, “Internal Revenue Code” means subtitle B of the federal Internal Revenue Code of 1986, as amended as of December 31, [~~2016;~~ 2017, as it applies to the determination of gross estate, adjusted gross estate, federal taxable estate, and generation-skipping transfers, except those provisions of the Internal Revenue Code and federal public laws that, pursuant to this chapter, do not apply or are otherwise limited in application.”

SECTION 8. Section 236E-6, Hawaii Revised Statutes, is amended to read as follows:

“§236E-6 Applicable exclusion amounts. (a) An exclusion from a Hawaii taxable estate shall be allowed to the estate of every decedent against the tax imposed by section 236E-8. For the purpose of this section, the applicable exclusion amount is [~~the same as the~~ equal to:

- (1) The federal applicable exclusion amount[~~;~~ ;];
- (2) The exemption equivalent of the unified credit reduced by the amount of taxable gifts made by the decedent that reduces the amount of the federal applicable exclusion amount[~~;~~ ;]; or [~~the~~]
- (3) The exemption equivalent of the unified credit on the decedent’s federal estate tax return,

as set forth for the decedent in chapter 11 of the Internal Revenue Code as amended as of December 21, 2017, and as further adjusted [~~below;~~ pursuant to subsection (b).

(b) The applicable exclusion amount calculated in subsection (a) shall be further adjusted as follows:

- (1) For residents, 100 per cent of the applicable exclusion amount;
- (2) For nonresidents, an amount computed by multiplying the applicable exclusion amount by a fraction, the numerator of which is the value of the property in the State subject to tax under this chapter, and the denominator of which is the federal gross estate; and
- (3) For nonresidents not citizens, an amount computed by multiplying the exemption equivalent of the unified credit by a fraction, the numerator of which is the value of the property in the State subject to tax under this chapter, and the denominator of which is the federal gross estate.

~~[(b)(1)]~~ (c)(1) For the purposes of this chapter, every decedent having property in the State shall be presumed to have died a resident of the State. The burden of proof in an estate tax proceeding shall be upon any decedent’s estate claiming exemption from the tax imposed by this chapter by reason of the decedent’s alleged nonresidency;

- (2) Any person required to make and file a tax return under this chapter, who believes that the decedent died a nonresident of the State, may file a request for determination of domicile in writing with the department, stating the specific grounds upon which the request is founded:
 - (A) The person has filed the return required under this chapter;

- (B) At least two hundred seventy days, but no more than three years, have elapsed since the due date of the return or, if applicable, the extended due date of the return;
 - (C) The person has not been notified, in writing, by the department that a written agreement of compromise with the taxing authorities of another jurisdiction, under section 236E-24, is being negotiated; and
 - (D) The department has not previously determined whether the decedent died a resident of the State;
- (3) Not later than one hundred eighty days following receipt of a request for determination, the department shall determine whether the decedent died a resident or a nonresident of the State. If the department commences negotiations over a written agreement of compromise with the taxing authorities of another jurisdiction after a request for determination of domicile is filed, the one hundred eighty day period shall be tolled for the duration of the negotiations. If, before the expiration of the one hundred eighty day period, both the department and the person required to make and file a tax return under this chapter have consented in writing to the making of a determination after such time, the determination may be made at any time prior to the expiration of the period agreed upon. The period agreed upon may be extended by subsequent agreements; provided that the agreements are made in writing before the expiration of the period previously agreed upon;
- (4) The department shall mail notice of the proposed determination to the person required to make and file a tax return under this chapter. The notice shall briefly set forth the department's findings of fact and the basis of decision in each case decided adversely to the person. Sixty days after the date on which it is mailed, a notice of proposed determination shall constitute a final determination, unless the person required to make and file a tax return under this chapter has filed an appeal of the determination as provided in section 236E-18; and
- (5) Nothing in this subsection shall be construed to relieve any person filing a request for determination of domicile of the obligation to pay the correct amount of tax on or before the due date of the tax."

SECTION 9. Section 236E-8, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) ~~[A state estate tax return shall be filed in the case of every decedent whose estate is required by the laws of the United States to file a federal estate tax return.]~~ This section shall apply to a decedent who, at the time of death was:

- (1) A resident of the State; or
- (2) A nonresident of the State whose gross estate includes any real property situated in the State or tangible personal property having a situs in the State. Where the decedent is the sole owner of a single member limited liability company that has not elected to be taxed as a corporation, the single member limited liability company shall be disregarded for purposes of this chapter and this chapter shall be applied as if the sole member is the owner of the property."

SECTION 10. Section 236E-9, Hawaii Revised Statutes, is amended as follows:

- 1. By amending subsections (a) and (b) to read:

“(a) The Hawaii transfer tax return, including any supplemental or amended return, is required to be filed pursuant to this chapter whenever a federal estate tax return or applicable generation-skipping transfer tax return is required to be filed~~[-]~~ or any tax is owed under this chapter. The return shall be filed, and the Hawaii transfer tax, including any additional tax that may become due, shall be paid by ~~the~~:

- (1) The same person or persons, respectively, who are required to pay the federal transfer tax and file the federal return, including any duly authorized executor or administrator~~[-]~~; or
- (2) If no federal transfer tax or federal return is due, the person who would be required to pay the federal transfer tax and file the federal return if any were due.

If there is more than one executor or administrator, the return shall be made jointly by all. If there is no executor or administrator appointed, qualified, and acting, each person in actual or constructive possession of any property of the decedent is constituted an executor for purposes of the tax and shall make and file a return. If in any case the executor is unable to make a complete return as to any part of the gross estate, the executor shall provide all the information available to the executor with respect to the property, including a full description and the name of every person holding a legal or beneficial interest in the property. If the executor is unable to make a return as to any property, each person holding a legal or equitable interest in the property shall, upon notice from the department, make a return as to that part of the gross estate.

(b) ~~[The executed Hawaii transfer tax return]~~ Any return required to be filed by this section shall be filed with the department on or before the date prescribed by section 6075 of the Internal Revenue Code for the federal estate tax return or section 2662 of the Internal Revenue Code for the applicable generation-skipping transfer tax return [is required to be filed], including any extension of time for filing the federal estate tax return or applicable generation-skipping transfer tax return.”

2. By amending subsection (e) to read:

“(e) If a federal transfer tax return is due and any portion of the federal transfer tax is deferred or to be paid in installments under the provisions of the Internal Revenue Code, the portion of the Hawaii transfer tax that is subject to deferral or payable in installments shall be determined by multiplying the Hawaii transfer tax by a fraction, the numerator of which is the gross value of the assets included in the transferred property having a tax situs in the State and that give rise to the deferred or installment payment under the Internal Revenue Code, and the denominator of which is the gross value of all assets included in the transferred property having a tax situs in the State.

If a federal transfer tax return is not due, the executor may elect to defer or pay in installments the Hawaii transfer tax in any situation where, if a federal transfer tax return was due, any portion of the federal transfer tax could have been deferred or allowed to be paid in installments under the provisions of the Internal Revenue Code; provided that the director of taxation shall determine the eligibility for deferral or installment payments.

Deferred payments and installment payments, with interest, shall be paid at the same time and in the same manner as payments of the federal transfer tax are required to be made under the applicable sections of the Internal Revenue Code; provided that the rate of interest on unpaid amounts of Hawaii transfer tax shall be determined under this chapter.

Acceleration of payment under this section shall occur under the same circumstances and in the same manner as provided in the Internal Revenue Code.”

SECTION 11. Section 236E-11, Hawaii Revised Statutes, is amended to read as follows:

“[§236E-11] Extension of time to file return. If a federal transfer tax return is due and the date for filing the federal return or the date for payment of the federal transfer tax is extended by the Internal Revenue Service, the filing of the return and payment of the tax imposed by this chapter shall be due on the respective dates specified by the Internal Revenue Service in granting a request for extension. If the request for extension is granted by the Internal Revenue Service, the person required to file the Hawaii transfer tax return shall file along with the return required under this chapter a copy of the request for extension showing approval of the extension by the Internal Revenue Service. If a request for extension of time to file the federal return is denied by the Internal Revenue Service, no penalty shall be due under this chapter if the return required by this chapter is filed within the time specified by the Internal Revenue Service for filing the federal return. If a request for extension of time to pay the federal transfer tax is denied by the Internal Revenue Service, no penalty shall be due under this chapter if the tax is paid within the time specified by the Internal Revenue Service for paying the federal transfer tax. The extension shall be made by filing a true copy of the federal extension or extensions of time for filing or payment, or both, with the return required under section 236E-9.

If a federal transfer tax return is not due, the director of taxation may grant a reasonable extension of time for filing returns under rules as the department shall prescribe.”

SECTION 12. Section 236E-17, Hawaii Revised Statutes, is amended by amending subsections (c) and (d) to read as follows:

“(c) The person required to report and pay the federal generation-skipping transfer tax, or, if no federal generation-skipping transfer tax is due, the person who would be required to report and pay the federal generation-skipping transfer tax if any were due, shall file with the department [on or before] the [date the federal generation-skipping transfer tax return is required to be filed, including any extension of time for filing the federal return:] following:

- (1) A report for the generation-skipping transfer tax due under this section; and
- (2) A true copy of the federal generation-skipping transfer tax return[-], if any is due.

The information required under this subsection shall be filed with the department on or before the date prescribed in section 2662 of the Internal Revenue Code and the regulations promulgated thereunder.

(d) If a federal transfer tax is due and the person required to file the return has obtained an extension of time for filing the federal return, the filing required by subsection (c) shall be extended similarly until the end of the time period granted in the extension of time for the federal return. A true copy of the extension shall be filed with the department along with the report required under subsection (c).

If a federal transfer tax is not due, the director of taxation may grant a reasonable extension of time for filing returns under rules as the department shall prescribe.”

SECTION 13. Section 236E-21, Hawaii Revised Statutes, is amended to read as follows:

“§236E-21 Statute of limitations; claims for refund. (a) If the amount paid with respect to any taxable transfer is less than the amount due under this chapter, the department shall assess the underpayment from the person responsible for payment[; ~~provided that a proceeding to assess the underpayment amount shall commence within:~~], as follows:

- (1) If a federal transfer tax return is due, a proceeding to assess the underpayment amount shall commence within:
 - ~~[(1)]~~ (A) Three years from the date the federal [estate] transfer tax return was filed; or
 - ~~[(2)]~~ (B) One year after the date of final determination of the related federal transfer tax, whichever is later[;]; or
- (2) If a federal transfer tax return is not due, a proceeding to assess the underpayment amount shall commence within:
 - (A) Three years from the date the Hawaii transfer tax return was filed; or
 - (B) One year after the date of final determination of the related Hawaii transfer tax, whichever is later.²

(b) Amounts set forth on a duly filed and accepted federal return for valuations of property, the gross estate, federal taxable estate, and applicable exclusion amount shall be conclusive for purposes of this chapter, and the return required under this chapter shall use the same amounts as the corresponding amounts on the federal return; provided that with regard to a decedent who was in a valid civil union or recognized equivalent under the laws of the State, but that is not recognized by the Internal Revenue Code as a marriage for federal tax purposes, computations of the valuations of property, the gross estate, federal taxable estate, and applicable exclusion amount shall be made as if the civil union or recognized equivalent under the laws of the State were recognized as a marriage.

~~[(b)]~~ (c) If the amount paid with respect to any taxable transfer is more than the amount due under this chapter, the department shall refund the excess to the person entitled to the refund together with interest at the existing statutory rate of interest in the manner provided in section 231-23[; ~~provided that no amount shall be refunded unless application for the refund is filed with the department within:~~], as follows:

- (1) If a federal transfer tax return was due, an application for refund shall be filed with the department within:
 - ~~[(1)]~~ (A) One year after the last date allowable under the Internal Revenue Code for filing a claim for refund of any part of the related federal transfer tax; or
 - ~~[(2)]~~ (B) One year after the date of final determination of the related federal transfer tax, whichever is later[;]; or
- (2) If a federal transfer tax return was not due, an application for refund shall be filed with the department within:
 - (A) Three years from the date the Hawaii transfer tax return was filed; or
 - (B) One year after the date of final determination of the related Hawaii transfer tax, whichever is later.

(d) As to all tax payments for which a refund or credit is not authorized by this section, including, without prejudice to the generality of the foregoing,

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cases of unconstitutionality, the remedies provided by appeal or by section 40-35 are exclusive.”

PART IV

SECTION 14. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.³

SECTION 15. This Act shall take effect upon its approval; provided that:

- (1) Part II shall apply to taxable years beginning after December 31, 2017; and
- (2) Part III shall apply to decedents dying or taxable transfers occurring after December 31, 2017.

(Approved June 7, 2018.)

Notes

1. Prior to amendment “(i)” appeared here.
2. “whichever is later.” should be underscored.
3. Edited pursuant to HRS §23G-16.5.

ACT 28

H.B. NO. 2333

A Bill for an Act Relating to the Hawaii Community-Based Economic Development Technical and Financial Assistance Program.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 210D-4, Hawaii Revised Statutes, is amended to read as follows:

“§210D-4 Hawaii community-based economic development revolving fund; established. There is established a revolving fund to be known as the Hawaii community-based economic development revolving fund from which moneys shall be loaned or granted by the department under this chapter. All moneys appropriated to the fund by the legislature, received as repayments of loans, payments of interest or fees, and all other moneys received by the fund from any other source shall be deposited into the revolving fund and used for the purposes of this chapter. The department may deposit moneys it receives from the repayments of loans and payments of interest or fees from the Hawaii capital loan program established by chapter 210, the Hawaii large fishing vessel purchase, construction, renovation, maintenance, and repair loan program established by part II of chapter 189, and the Hawaii small fishing vessel loan program established by part IV of chapter 189, into the Hawaii community-based economic development revolving fund to be used for the purposes of this chapter. The department may use all appropriations and other moneys in the revolving fund not appropriated for a designated purpose to make grants or loans.”

SECTION 2. New statutory material is underscored.

SECTION 3. This Act shall take effect on July 1, 2018.

(Approved June 7, 2018.)

ACT 29

H.B. NO. 2318

A Bill for an Act Relating to Confidential Personal Information.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The Hawaii Revised Statutes is amended by adding a new chapter to be appropriately designated and to read as follows:

**“CHAPTER
DEPARTMENT OF HAWAIIAN HOME LANDS RECORDS**

§ -1 Government records and personal records; department of Hawaiian home lands. (a) The following government records maintained by the department of Hawaiian home lands shall not be required to be publicly disclosed or made open to inspection pursuant to public records requests under section 92F-11:

- (1) Loan applications, loan prequalification documents, loan approval documents, underwriting findings, financial data forms, and financial assessments except where disclosure is required by section 92F-12(a)(8);
 - (2) Any consent to release personal information permitting the department of Hawaiian home lands to access birth, marriage, and death certificates and other documents in the application or lessee file to assist the family or individual designated by the applicant or lessee with the processing of an application or lease award;
 - (3) Designation of successor to a lease;
 - (4) Designation of successor to application rights for a homestead lease;
 - (5) Requests to succeed to a homestead lease; and
 - (6) Requests to succeed to application rights.
- (b) The Hawaiian homes commission may hold an executive meeting as provided in section 92-4 for the purpose of discussing the records made exempt from public disclosure by subsection (a) in the same manner as for the purposes listed in section 92-5(a).”

SECTION 2. This Act shall take effect on July 1, 2018.

(Approved June 7, 2018.)

ACT 30

H.B. NO. 2341

A Bill for an Act Relating to Qualified Domestic Relations Orders.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Act 263, Session Laws of Hawaii 2016, is amended as follows:

1. By amending section 2 to read:

“SECTION 2. Chapter 88, part II, subpart C, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

“§88- Distribution of property in a divorce action. (a) As used in this section:

“Alternate payee” means a spouse or former spouse of a member, a former member who has vested benefit status, or retirant who is recognized by a domestic relations order as having a right to receive all or a portion of the benefits payable by the system with respect to that member, former member with vested benefit status, or retirant.

“Benefits payable with respect to a member, a former member with vested benefit status, or retirant” means any payment required to be made to a member, a former member with vested benefit status, or retirant.

“Domestic relations order” means a judgment, decree, or order, including approval of a property settlement agreement, that:

- (1) Relates to the provision of marital property rights to a spouse or former spouse of a member, a former member with vested benefit status, or retirant; and
- (2) Is made pursuant to a domestic relations law of this State or another state.

“Hawaii domestic relations order” means a domestic relations order that:

- (1) Creates or recognizes the right of an alternate payee, or assigns to an alternate payee, the right to receive all or a portion of the benefits payable with respect to a member, a former member with vested benefit status, or retirant under the system;
- (2) Directs the system to disburse benefits to the alternate payee; and
- (3) Meets the requirements of this section.
- (b) A Hawaii domestic relations order shall clearly specify:
 - (1) The name and last known mailing address, if any, of the member, former member with vested benefit status, or retirant;
 - (2) The name and mailing address of the alternate payee covered by the order;
 - (3) The amount or percentage of the [~~member~~] member’s, former member’s with vested benefit status, or retirant’s benefits to be paid by the system to the alternate payee, or the manner in which the amount or percentage is to be determined; and
 - ~~[(4) The number of payments or period to which the order applies; and~~
 - ~~(5)] (4) That the order applies to the system.~~

(c) If, pursuant to a Hawaii domestic relations order, an alternate payee is receiving all or a portion of a retirant’s pension, annuity, or retirement allowance, the alternate payee shall be entitled to receive a post retirement allowance as provided by section 88-90.

- (d) A Hawaii domestic relations order shall not:
 - (1) Purport to require the designation by the member, former member with vested benefit status, or retirant of a particular person as the recipient of benefits upon the death of the member, former member with vested benefit status, or retirant;
 - (2) Purport to require the selection of a particular benefit payment plan or option or to limit the benefit payment plans or options from which the member or former member with vested benefit status may select;
 - (3) Require any action on the part of the system contrary to its governing laws or plan provisions other than the direct payment of the benefit awarded to an alternate payee;

- (4) Make the award to the alternate payee an interest that is contingent on any condition other than those conditions resulting in the liability of the system for payment under its plan provisions;
- (5) Purport to give to someone other than a member, former member with vested benefit status, or retiree the right to designate a beneficiary or to choose any retirement plan or option available from the system;
- (6) Attach a lien to any part of amounts payable with respect to a member, former member with vested benefit status, or retiree;
- (7) Award an alternate payee a portion of the benefits payable with respect to a member, former member with vested benefit status, or retiree under the system and purport to require the system to make a lump sum payment of the awarded portion of the benefits to the alternate payee that are not payable in a lump sum;
- (8) Purport to require the system, without action by the member, to terminate a member from membership or employment, to refund contributions, or to retire a member[;] or former member with vested benefit status;
- (9) Provide any type or form of benefit, or any option, not otherwise provided by the system;
- (10) Provide increased benefits, determined on the basis of actuarial value; or
- (11) Require the system to provide benefits or refunds to an alternate payee that are required to be paid to another alternate payee pursuant to an earlier Hawaii domestic relations order.

(e) Upon receipt of a copy of the complaint for divorce, certified by the clerk of the court in which the complaint was filed, and a written request that identifies the member, former member with vested benefit status, or retiree by name and social security number and states the date of the marriage, the system shall provide the spouse or former spouse of a member, former member with vested benefit status, or retiree with the same information that would be provided to the member, former member with vested benefit status, or retiree on the member's, former member's with vested benefit status, or retiree's benefits that is relevant to the spouse's or former spouse's interest in the member's, former member's with vested benefit status, or retiree's benefits.

(f) A person who wishes to have the system review a domestic relations order or a proposed domestic relations order to establish whether the order or proposed order meets the requirements for a Hawaii domestic relations order shall submit to the system a written request for review and a copy of the order or proposed order. If the order has been entered by a court, the copy of the order shall be certified by the clerk of the court that entered the order. The order or proposed order shall be reviewed as provided by this section.

The filing fee in effect at the time that an order or proposed order is submitted shall be paid before the order or proposed order is processed or reviewed. In addition, the system shall charge for legal and actuarial services as provided by subsection (s).

Before any legal or actuarial services are performed, the system shall notify the person who requested the review of the order or proposed order that the services will be needed as part of the review. The notification shall include an estimate of the extent of the services and the estimated costs relating to those services. The charges for legal and actuarial services shall be paid before the system may issue notification of determination on an order or notification whether or not a proposed order meets the requirements for a Hawaii domestic relations order.

If a domestic relations order is submitted for review after it has been entered by the court and is thereafter amended with the intention that it shall be a Hawaii domestic relations order, the member, former member with vested benefit status, retirant, or the alternate payee shall submit a certified copy of the amended order to the system. The system shall review any amended order that it receives according to the same rules applicable to all other orders.

(g) The system shall review an order or proposed order for compliance with the requirements imposed by this section. Upon completion of the review:

(1) The system shall not issue a determination that a proposed order is or is not a Hawaii domestic relations order but shall notify the person who submitted the proposed order, in writing, and may also notify the member, former member with vested benefit status, or alternate payee whether the proposed order meets the requirements for a Hawaii domestic relations order, identifying any provisions of this section that the proposed order does not meet; and

(2) If the order has been entered by the court, the system shall notify the member, former member with vested benefit status, or retirant and the alternate payee in writing of the determination that the order is or is not a Hawaii domestic relations order, identifying any provisions of this section that the order does not meet.

(h) During any period not exceeding eighteen months, beginning on the date on which the first payment would be required to be made to the alternate payee under the domestic relations order, in which a domestic relations order is under review to determine whether it is a Hawaii domestic relations order, or in which a determination that an order is not qualified is on appeal to the board or to a court, the system shall limit the member's, former member's with vested benefit status, or retirant's rights in the member's, former member's with vested benefit status, or retirant's benefits to the extent the system deems appropriate to protect the largest amount that would be payable to the proposed alternate payee under the system's interpretation of the domestic relations order. Any amounts not paid to the member, former member with vested benefit status, or retirant during this eighteen-month period shall be separately accounted for. If the domestic relations order is determined to be a Hawaii domestic relations order before the end of the eighteen-month period, the system shall pay benefits to the member, former member with vested benefit status, or retirant and the alternate payee in accordance with the Hawaii domestic relations order and the terms of the plan, including any benefits separately accounted for during the period between the date on which the first payment was to be made under the Hawaii domestic relations order and the date the determination is made. If the domestic relations order is finally determined not to be a Hawaii domestic relations order, or if the eighteen-month period expires without a determination that the domestic relations order is a Hawaii domestic relations order, none of the amounts separately accounted for shall be paid to the alternate payee, and the member, former member with vested benefit status, or retirant shall be entitled to the member's, former member's with vested benefit status, or retirant's full benefits in accordance with the terms of this chapter, including any benefits that had been separately accounted for and withheld from the member, former member with vested benefit status, or retirant. If the domestic relations order is determined to be a Hawaii domestic relations order after the end of the eighteen-month period, or if the system later receives another domestic relations order that is determined to be a Hawaii domestic relations order, the Hawaii domestic relations order shall apply prospectively only and shall not affect benefits already paid to the member, former member with vested benefit status, or retirant.

(i) Subject to the limitations of applicable statutes and this section, if a domestic relations order is determined to be a Hawaii domestic relations order, the system shall pay benefits in accordance with the order at the time benefits become payable to, or in the case of contributions or hypothetical account balances, are withdrawn by, the member, former member with vested benefit status, or retirant. Any determination that an order is a Hawaii domestic relations order is voidable or subject to modification if the system determines that the provisions of the order have been changed or that circumstances relevant to the determination have changed.

(j) If a member terminates membership in the system by withdrawal of contributions or hypothetical account balance, the system shall pay all or a portion of the amount withdrawn to any alternate payee as directed by a Hawaii domestic relations order. Payment to any alternate payee pursuant to this subsection shall be in a lump sum. If the former member later resumes membership in the system, the system shall pay to an alternate payee no portion of any benefits payable to the member or retirant that result from the resumption of membership, even if those benefits result in part from reinstatement of service credit initially credited during the marriage.

(k) In order to receive credit for all service represented by withdrawn or refunded contributions, a member, in reinstating service credit by repaying amounts previously withdrawn or refunded, shall repay the entire amount withdrawn or refunded, regardless of whether a portion or all of the amount was paid to an alternate payee.

(l) When the system has not yet begun to make payment to an alternate payee under this section and is provided with proof of the death of the alternate payee, benefits payable with respect to the member, former member with vested benefit status, or retirant shall be paid without regard to the Hawaii domestic relations order.

(m) When the system receives a certified copy of a domestic relations order prior to a member's retirement, and if the domestic relations order is determined to be a Hawaii domestic relations order, the system, except as provided in subsection (j), shall pay the alternate payee ~~[an amount that is the actuarial equivalent of the benefit that is awarded to the alternate payee in the form of an annuity payable in equal monthly installments for the life of the alternate payee.~~

~~Payment under this subsection shall be determined as follows:~~

- ~~(1) As of the date payment to the alternate payee is scheduled to begin, the system shall determine the single life annuity value of the retirement benefit payable to the member;~~
- ~~(2) If the portion of the benefit awarded to the alternate payee by the order is not clearly stated as a percentage of the member's maximum retirement allowance, the system shall determine the percentage of the member's maximum retirement allowance that is the equivalent to the benefit awarded to the alternate payee;~~
- ~~(3) The single life annuity value determined by the system shall be multiplied by the percentage of the member's maximum retirement allowance awarded to the alternate payee. The result of this calculation shall be actuarially converted to a single life annuity payable to the alternate payee for the lifetime of the alternate payee;~~
- ~~(4) The benefit payable to the member shall be reduced by an amount actuarially equivalent to the value of the benefit payable to the alternate payee; payment by the system of the alternate payee's interest as provided by this section shall have no effect on the right of a member to name a beneficiary or the right of a member to choose an optional method of payment upon retirement; and]~~

a portion of the retirement benefit the member or former member with vested benefit status is expected to receive as follows:

- (1) If the alternate payee will be named beneficiary under any option elected by the retirant at retirement, the benefit to which the retirant is entitled, without regard to the Hawaii domestic relations order, shall be apportioned between the retirant and the alternate payee according to the terms of the Hawaii domestic relations order. Upon the death of the retirant or the alternate payee, the benefit amount to be paid to the survivor shall be the amount required under the option elected by the retirant at retirement, as though no Hawaii domestic relations order had existed; or
- (2) If the alternate payee will not be a named beneficiary under the option elected by the retirant at retirement, the benefit to which the retirant is entitled without regard to the Hawaii domestic relations order, shall be apportioned between the retirant and the alternate payee according to the terms of the Hawaii domestic relations order. If the retirant predeceases the alternate payee, payments to the alternate payee shall cease and payments to the retirant's named beneficiary or beneficiaries shall be made as required under the option elected by the retirant at retirement, as though no Hawaii domestic relations order had existed. If the alternate payee predeceases the retirant, the benefit then being paid to the retirant shall be increased by the amount of the benefit that was being paid to the alternate payee at time of death.

~~[(5)]~~ Payment of the alternate payee's interest under this subsection shall be effective as of the same date that benefit payments are effective for the member.

(n) When the system receives a certified copy of a domestic relations order subsequent to the member's or former member's with vested benefit status retirement, and if the domestic relations order is determined to be a Hawaii domestic relations order, the interest awarded to the alternate payee by the Hawaii domestic relations order shall be paid as a portion of the retirement benefit the retirant is receiving as follows:

- (1) If the alternate payee is already a named beneficiary under any option elected by the retirant at retirement, the benefit to which the retirant is entitled, without regard to the Hawaii domestic relations order, shall be apportioned between the retirant and the alternate payee according to the terms of the Hawaii domestic relations order. Upon the death of the retirant or the alternate payee, the benefit amount to be paid to the survivor shall be the amount required under the option elected by the retirant at retirement, as though no Hawaii domestic relations order had existed; or
- (2) If the alternate payee is not a named beneficiary under the option elected by the retirant at retirement, the benefit to which the retirant is entitled without regard to the Hawaii domestic relations order, shall be apportioned between the retirant and the alternate payee according to the terms of the Hawaii domestic relations order. If the retirant predeceases the alternate payee, payments to the alternate payee shall cease and payments to the retirant's named beneficiary or beneficiaries shall be made as required under the option elected by the retirant at retirement, as though no Hawaii domestic relations order had existed. If the alternate payee predeceases the retirant, the benefit then being paid to the retirant shall be increased by

the amount of the benefit that was being paid to the alternate payee at time of death.

Payment according to the terms of the Hawaii domestic relations order under this subsection shall commence as of the first day of the month following the date upon which the order is determined to be qualified, unless the parties jointly direct that payment shall commence at a later date.

(o) If a retirant returns to employment requiring active membership in the system:

(1) Payments to an alternate payee pursuant to a Hawaii domestic relations order shall not be suspended; and

(2) The system shall pay to an alternate payee no portion of any benefits payable to the retirant that result from the resumption of membership.

(p) For the purpose of calculating earnings limitations for retirants who have been restored to service, the retirant's maximum retirement allowance shall be considered to be the amount that would have been paid if there had not been any Hawaii domestic relations order applicable to the retirant.

(q) A court does not have jurisdiction over the system with respect to a divorce or other domestic relations action in which an alternate payee's right to receive all or a portion of the benefits payable to a member, former member with vested benefit status, or retirant is created or established. A determination by the system that a domestic relations order is not a Hawaii domestic relations order shall be subject to review as provided in chapter 91 and the system's rules relating to contested cases. The system shall not be made party to any other judicial proceedings except as provided in this subsection. A party to any action who attempts to make the system a party to the action contrary to this subsection shall be liable to the system for the system's costs and attorney's fees in the action, including attorneys' fee and costs for obtaining a dismissal.

(r) If a member, former member with vested benefit status, or retirant, or the beneficiary or estate of [~~either,~~] any, receives the amount of any distribution that should have been paid by the system to the spouse or former spouse of the member, former member with vested benefit status, or retirant, the recipient shall be designated a constructive trustee for the amount received and shall immediately transmit that amount to the person to whom the amount should have been paid. If a spouse or former spouse of a member, former member with vested benefit status, or retirant, or the estate, heirs, or legatees of the spouse or former spouse receive any amount of a distribution that should have been paid to a member, former member with vested benefit status, or retirant, or the estate, heirs, or legatees of [~~either,~~] any, the recipient shall be designated a constructive trustee for the amount received and shall immediately transmit that amount to the member, former member with vested benefit status, or retirant or other person to whom the amount should have been paid. If a member, former member with vested benefit status, retirant, or the beneficiary, estate, heirs, or legatees of [~~either,~~] any, receives any amount that should not have been paid by the system, the recipient shall be designated a constructive trustee for the amount received and shall immediately transmit that amount to the system. If an alternate payee or the estate, heirs, or legatee of the alternate payee, receives any amount that should not have been paid by the system, the recipient shall be designated a constructive trustee for the amount received and shall immediately transmit that amount to the system.

(s) The board shall adopt rules in accordance with chapter 91, and adopt forms as it deems necessary to effectuate this section. The board, by motion at a duly noticed meeting of the board, may establish and revise from time to time:

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- (1) A filing fee for processing and review of domestic relations orders and proposed domestic relations orders for the purposes of this section;
 - (2) A schedule of charges for legal and actuarial services incurred by the system in the review and processing of domestic relations orders and proposed Hawaii domestic relations orders for the purposes of this section; and
 - (3) A required form or forms for Hawaii domestic relations orders.”
2. By amending section 5 to read:
“SECTION 5. This Act shall take effect on July 1, [~~2018~~] 2020.”

SECTION 2. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 3. This Act shall take effect upon its approval.
(Approved June 7, 2018.)

ACT 31

H.B. NO. 2359

A Bill for an Act Relating to the Hawaii Public Housing Authority.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The purpose of this Act is to clarify the offense of trespassing on public housing property.

SECTION 2. Chapter 356D, Hawaii Revised Statutes, is amended by adding a new section to part I to be appropriately designated and to read as follows:

“**§356D- Closed to the public.** (a) Any area within a housing project that is not a public street, road, highway, sidewalk, or county or state bus stop, shall be closed to the public where signs are displayed that read: “Closed to the Public – No Trespassing”, or a substantially similar message; provided that the signs:

- (1) Contain letters no less than two inches in height; and
- (2) Are placed at reasonable intervals no less than three signs to a mile along the boundary line of the areas that are closed to the public and at all entrances to the property, in a manner and position to be clearly noticeable from outside the boundary line.

(b) For the purposes of this section:

“Housing project” means a public housing project, elder or elderly housing, as defined in section 356D-1, or state low-income housing project, as defined in section 356D-51.”

SECTION 3. Section 708-814, Hawaii Revised Statutes, is amended to read as follows:

“**§708-814 Criminal trespass in the second degree.** (1) A person commits the offense of criminal trespass in the second degree if:

- (a) The person knowingly enters or remains unlawfully in or upon premises that are enclosed in a manner designed to exclude intruders or are fenced;
- (b) The person enters or remains unlawfully in or upon commercial premises after a reasonable warning or request to leave by the owner or lessee of the commercial premises, the owner's or lessee's authorized agent, or a police officer; provided that this paragraph shall not apply to any conduct or activity subject to regulation by the National Labor Relations Act.

For the purposes of this paragraph, "reasonable warning or request" means a warning or request communicated in writing at any time within a one-year period inclusive of the date the incident occurred, which may contain but is not limited to the following information:

- (i) A warning statement advising the person that the person's presence is no longer desired on the property for a period of one year from the date of the notice, that a violation of the warning will subject the person to arrest and prosecution for trespassing pursuant to this subsection, and that criminal trespass in the second degree is a petty misdemeanor;
- (ii) The legal name, any aliases, and a photograph, if practicable, or a physical description, including but not limited to sex, racial extraction, age, height, weight, hair color, eye color, or any other distinguishing characteristics of the person warned;
- (iii) The name of the person giving the warning along with the date and time the warning was given; and
- (iv) The signature of the person giving the warning, the signature of a witness or police officer who was present when the warning was given and, if possible, the signature of the violator;
- (c) The person enters or remains unlawfully on agricultural lands without the permission of the owner of the land, the owner's agent, or the person in lawful possession of the land, and the agricultural lands:
 - (i) Are fenced, enclosed, or secured in a manner designed to exclude intruders;
 - (ii) Have a sign or signs displayed on the unenclosed cultivated or uncultivated agricultural land sufficient to give notice and reading as follows: "Private Property" or "Government Property – No Trespassing". The sign or signs, containing letters no less than two inches in height, shall be placed at reasonable intervals no less than three signs to a mile along the boundary line of the land and at roads and trails entering the land in a manner and position as to be clearly noticeable from outside the boundary line; or
 - (iii) At the time of entry, are fallow or have a visible presence of livestock or a crop:
 - (A) Under cultivation;
 - (B) In the process of being harvested; or
 - (C) That has been harvested;
- (d) The person enters or remains unlawfully on unimproved or unused lands without the permission of the owner of the land, the owner's agent, or the person in lawful possession of the land, and the lands:
 - (i) Are fenced, enclosed, or secured in a manner designed to exclude the general public; or

- (ii) Have a sign or signs displayed on the unenclosed, unimproved, or unused land sufficient to give reasonable notice and reads as follows: “Private Property – No Trespassing”, “Government Property – No Trespassing”, or a substantially similar message; provided that the sign or signs shall contain letters no less than two inches in height and shall be placed at reasonable intervals no less than three signs to a mile along the boundary line of the land and at roads and trails entering the land in a manner and position as to be clearly noticeable from outside the boundary line.

For the purposes of this paragraph, “unimproved or unused lands” means any land upon which there is no improvement; construction of any structure, building, or facility; or alteration of the land by grading, dredging, or mining that would cause a permanent change in the land or that would change the basic natural condition of the land. Land remains “unimproved or unused land” under this paragraph notwithstanding minor improvements, including the installation or maintenance of utility poles, signage, and irrigation facilities or systems; minor alterations undertaken for the preservation or prudent management of the unimproved or unused land, including the installation or maintenance of fences, trails, or pathways; maintenance activities, including forest plantings and the removal of weeds, brush, rocks, boulders, or trees; and the removal or securing of rocks or boulders undertaken to reduce risk to downslope properties; or

- (e) ~~[The person enters or remains unlawfully in or upon the premises of any public housing project or state low-income housing project, as defined in section 356D-1, 356D-51, or 356D-91, after a reasonable warning or request to leave by housing authorities or a police officer, based upon an alleged violation of law or administrative rule; provided that a warning or request to leave shall not be necessary between 10:00 p.m. and 5:00 a.m. at any public housing project or state low-income housing project that is closed to the public during those hours and has signs, containing letters no less than two inches in height, placed at reasonable intervals no less than three signs to a mile along the boundary of the project property and at all entrances to the property, in a manner and position to be clearly noticeable from outside the boundary of the project property and to give sufficient notice that the public housing project or state low-income housing project is closed to the public during those hours.]~~ The person enters or remains unlawfully in or upon any area of a housing project that is closed to the public pursuant to section 356D- and meets the signage requirements of section 356D- , or the person enters or remains unlawfully in or upon any property that is subject to section 356D- and meets the signage requirements of section 356D- after a reasonable warning or request to leave by the housing authority or law enforcement officer, as defined in section 710-1000, based upon an alleged violation of law or administrative rule, notwithstanding any invitation or authorization provided to the person by a tenant of that housing project or a member of that tenant’s household.

As used in this paragraph:

“Housing authority” means a property manager, resident manager, tenant monitors, security guards, or others officially designated by the Hawaii public housing authority, for the housing project.

“Housing project” means a public housing project, or elder or elderly housing as defined in section 356D-1, or state low-income housing project as defined in section 356D-51.

“Reasonable warning or request” means a warning or request communicated in writing at any time within a one-year period inclusive of the date the incident occurred, which may contain but is not limited to the following information:

- (i) A warning statement advising the person that for a period of one year from the date of the notice, the person’s presence is no longer desired in or on the areas of the subject housing project that are closed to the public, that a violation of the warning will subject the person to arrest and prosecution for trespassing pursuant to this subsection, and that criminal trespass in the second degree is a petty misdemeanor;
- (ii) The legal name, any aliases, and a photograph, if practicable, or a physical description, including but not limited to sex, racial extraction, age, height, weight, hair color, eye color, or any other distinguishing characteristics of the person warned;
- (iii) The name of the person giving the warning along with the date and time the warning was given;
- (iv) The signature of the person giving the warning and, if possible, the signature of the violator; and
- (v) The name and signature of a witness or law enforcement officer, as defined in section 710-1000, who was present when the warning was given.

(2) Subsection (1) shall not apply to a process server who enters or remains in or upon the land or premises of another, unless the land or premises are secured with a fence and locked gate, for the purpose of making a good faith attempt to perform ~~their~~ the process server’s legal duties and to serve process upon any of the following:

- (a) An owner or occupant of the land or premises;
- (b) An agent of the owner or occupant of the land or premises; or
- (c) A lessee of the land or premises.

For the purposes of this subsection, “process server” means any person authorized under the Hawaii rules of civil procedure, district court rules of civil procedure, Hawaii family court rules, or section 353C-10 to serve process.

~~[(3) As used in this section:~~

~~“Housing authorities” means resident managers or managers, tenant monitors, security guards, or others officially designated by the Hawaii public housing authority.~~

~~“Process server” means any person authorized under the Hawaii rules of civil procedure, district court rules of civil procedure, Hawaii family court rules, or section 353C-10 to serve process.~~

~~(4) (3) Criminal trespass in the second degree is a petty misdemeanor.”~~

SECTION 4. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

ACT 32

SECTION 5. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.¹

SECTION 6. This Act shall take effect upon its approval.

(Approved June 7, 2018.)

Note

1. Edited pursuant to HRS §23G-16.5.

ACT 32

H.B. NO. 2305

A Bill for an Act Relating to Coffee Berry Borer.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Act 105, Session Laws of Hawaii 2014 (Act 105), established a pesticide subsidy program in the department of agriculture for five years to assist coffee growers with offsetting the costs of purchasing certain pesticides known to be effective against the coffee berry borer, a highly destructive coffee pest that has infested coffee crops on Hawaii island and more recently has been detected on Oahu and Maui.

Act 152, Session Laws of Hawaii 2015, established a pesticide subsidy program manager position as a full-time, temporary position exempt from chapters 76 and 89, Hawaii Revised Statutes. Section 76-16(b)(17), Hawaii Revised Statutes, provides that any exemption created after July 1, 2014, shall expire three years after its enactment unless affirmatively extended by an act of the legislature. Pursuant to section 76-16(b)(17), the exemption from civil service of the pesticide subsidy program manager position will expire on June 30, 2018, three years after it was created by Act 152, Session Laws of Hawaii 2015.

Because it took longer than anticipated for Act 105 to be implemented, Act 65, Session Laws of Hawaii 2017 (Act 65), extended the pesticide subsidy program from its original sunset date of June 30, 2019, to a new sunset date of June 30, 2021, to assist coffee growers for the number of years intended when Act 105 was enacted. However, Act 65 did not extend the civil service and collective bargaining laws exemption of the pesticide subsidy program manager position.

Pursuant to section 3(c) of Act 105, an application for a subsidy for pesticide purchases made in a fiscal year must be filed in the immediately following fiscal year. For pesticide purchases made in the last fiscal year of the program, from July 1, 2020, to June 30, 2021, applications for subsidies must be filed in the immediately following fiscal year, anytime from July 1, 2021, to June 30, 2022. The manager position will be needed to process these applications for subsidies for costs incurred in the final year of the program.

The purpose of this Act is to extend the pesticide subsidy program manager position through the fiscal year immediately following the program sunset date in order to process applications for subsidies for costs incurred in the final year of the program and affirmatively extend the position's civil service and collective bargaining laws exemption.

SECTION 2. Section 3 of Act 105, Session Laws of Hawaii 2014, as amended by section 1 of Act 152, Session Laws of Hawaii 2015, as amended

by section 2 of Act 65, Session Laws of Hawaii 2017, is amended by amending subsection (g) to read as follows:

“(g) There is established within the department a pesticide subsidy program manager position, which shall be a full-time, temporary position exempt from chapters 76 and 89, Hawaii Revised Statutes. The pesticide subsidy program manager shall possess a requisite level of knowledge and expertise in the area of program management necessary to carry out the duties of the position. The pesticide subsidy program manager shall:

- (1) Facilitate the efficient division and distribution of available subsidy funds; and
- (2) Manage the day-to-day coordination for the pesticide subsidy program.

The pesticide subsidy program manager shall receive a salary of not more than \$50,000 per year. The pesticide subsidy program manager position, including the position’s exemption from chapters 76 and 89, Hawaii Revised Statutes, shall expire on June 30, 2022.”

SECTION 3. New statutory material is underscored.

SECTION 4. This Act shall take effect upon its approval.

(Approved June 7, 2018.)

ACT 33

H.B. NO. 1770

A Bill for an Act Making an Appropriation to the Department of the Prosecuting Attorney of the City and County of Honolulu.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. There is appropriated out of the general revenues of the State of Hawaii the sum of \$350,000 or so much thereof as may be necessary for fiscal year 2018-2019 for a grant-in-aid to the department of the prosecuting attorney of the city and county of Honolulu for the career criminal prosecution unit.

The sum appropriated shall be expended by the department of the prosecuting attorney of the city and county of Honolulu for the purposes of this Act.

SECTION 2. This Act shall take effect on July 1, 2018.

(Approved June 7, 2018.)

ACT 34

H.B. NO. 1971

A Bill for an Act Relating to the Issuance of Special Purpose Revenue Bonds to Kunoa Cattle Company, LLC.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds and declares that the issuance of special purpose revenue bonds under this Act is in the public interest and for the public health, safety, and general welfare.

SECTION 2. Pursuant to part X, chapter 39A, Hawaii Revised Statutes, the department of budget and finance, with the approval of the governor, is authorized to issue special purpose revenue bonds in a total amount not to exceed \$50,000,000, in one or more series, for the purpose of assisting Kunoa Cattle Company, LLC, a Delaware corporation, for a multi-species livestock farm, expansion of the current slaughter and processing infrastructure, development of distribution assets and agritourism services, and expansion of renewable energy assets. The legislature hereby finds and determines that construction of facilities and expansion of economic infrastructure constitute a project as defined in part X, chapter 39A, Hawaii Revised Statutes, and the financing thereof is assistance to an agricultural enterprise.

SECTION 3. The special purpose revenue bonds and the refunding special purpose revenue bonds issued under this Act shall be issued pursuant to part X, chapter 39A, Hawaii Revised Statutes, relating to the power to issue special purpose revenue bonds to assist agricultural enterprises.

SECTION 4. The department of budget and finance is authorized, from time to time, including times subsequent to June 30, 2023, to issue special purpose revenue bonds in whatever principal amounts the department shall determine to be necessary to refund the special purpose revenue bonds authorized in section 2 and to refund special purpose revenue bonds authorized in this section, regardless of whether the outstanding special purpose revenue bonds or refunding special purpose revenue bonds have matured or are the subject of redemption or whether the refunding special purpose revenue bonds shall be bonds for the multi-project programs described in section 2. In making this determination, the department shall comply with federal law relating to the exemption from federal income taxation of the interest on bonds of the nature authorized by this section.

SECTION 5. The authorization to issue special purpose revenue bonds under this Act shall lapse on June 30, 2023.

SECTION 6. This Act shall take effect on July 1, 2018.

(Approved June 7, 2018.)

ACT 35

H.B. NO. 634

A Bill for an Act Relating to the Issuance of Special Purpose Revenue Bonds for the Nuuanu Hydroelectricity Project.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Nuuanu reservoir #1 is an essential component in the Nuuanu hydroelectricity project, which will connect existing reservoirs in Nuuanu valley to generate renewable hydroelectric energy, provide energy storage of off-peak solar or wind energy supplies, and supplement usable groundwater supplies through the increase of groundwater recharge of captured stormwater. Nuuanu reservoir #1 needs to be upgraded to facilitate this project. The legislature finds that part XII, chapter 39A, Hawaii Revised Statutes, permits the State to assist dam and reservoir owners.

The legislature finds and declares that the issuance of special purpose revenue bonds under this Act is in the public interest and for the public health, safety, and general welfare.

SECTION 2. Pursuant to part XII, chapter 39A, Hawaii Revised Statutes, the department of budget and finance, with the approval of the governor, is authorized to issue special purpose revenue bonds in a total amount not to exceed \$4,800,000, in one or more series, for the purpose of assisting the Honolulu board of water supply, a municipal water utility, to upgrade Nuuanu reservoir #1 to meet state dam safety standards as part of the Nuuanu hydroelectricity project. The legislature hereby finds and determines that the upgrade of Nuuanu reservoir #1 constitutes a project as defined in part XII, chapter 39A, Hawaii Revised Statutes, and the financing thereof is assistance to dam and reservoir owners.

SECTION 3. The special purpose revenue bonds and the refunding special purpose revenue bonds issued under this Act shall be issued pursuant to part XII, chapter 39A, Hawaii Revised Statutes, relating to the power to issue special purpose revenue bonds to assist dam and reservoir owners.

SECTION 4. The department of budget and finance is authorized, from time to time, including times subsequent to June 30, 2023, to issue special purpose revenue bonds in whatever principal amounts the department shall determine to be necessary to refund the special purpose revenue bonds authorized in section 2 and to refund special purpose revenue bonds authorized in this section, regardless of whether the outstanding special purpose revenue bonds or refunding special purpose revenue bonds have matured or are the subject of redemption or whether the refunding special purpose revenue bonds shall be bonds for the multi-project programs described in section 2. In making this determination, the department shall comply with federal law relating to the exemption from federal income taxation of the interest on bonds of the nature authorized by this section.

SECTION 5. The authorization to issue special purpose revenue bonds under this Act shall lapse on June 30, 2023.

SECTION 6. This Act shall take effect on July 1, 2018.

(Approved June 7, 2018.)

ACT 36

H.B. NO. 635

A Bill for an Act Relating to the Issuance of Special Purpose Revenue Bonds for the Nuuanu Hydroelectricity Project.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Nuuanu reservoir #4 is an essential component in the Nuuanu hydroelectricity project, which will connect existing reservoirs in Nuuanu valley to generate renewable hydroelectric energy, provide energy storage of off-peak solar or wind energy supplies, and supplement usable groundwater supplies through the increase of groundwater recharge of captured stormwater. Nuuanu reservoir #4 needs to be upgraded to facilitate this project. The legislature finds

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that part XII, chapter 39A, Hawaii Revised Statutes, permits the State to assist dam and reservoir owners.

The legislature finds and declares that the issuance of special purpose revenue bonds under this Act is in the public interest and for the public health, safety, and general welfare.

SECTION 2. Pursuant to part XII, chapter 39A, Hawaii Revised Statutes, the department of budget and finance, with the approval of the governor, is authorized to issue special purpose revenue bonds in a total amount not to exceed \$6,400,000, in one or more series, for the purpose of assisting the Honolulu board of water supply, a municipal water utility, to upgrade Nuuanu reservoir #4 to meet state dam safety standards as part of the Nuuanu hydroelectricity project. The legislature hereby finds and determines that Nuuanu reservoir #4 constitutes a project as defined in part XII, chapter 39A, Hawaii Revised Statutes, and the financing thereof is assistance to dam and reservoir owners.

SECTION 3. The special purpose revenue bonds and the refunding special purpose revenue bonds issued under this Act shall be issued pursuant to part XII, chapter 39A, Hawaii Revised Statutes, relating to the power to issue special purpose revenue bonds to assist dam and reservoir owners.

SECTION 4. The department of budget and finance is authorized, from time to time, including times subsequent to June 30, 2023, to issue special purpose revenue bonds in whatever principal amounts the department shall determine to be necessary to refund the special purpose revenue bonds authorized in section 2 and to refund special purpose revenue bonds authorized in this section, regardless of whether the outstanding special purpose revenue bonds or refunding special purpose revenue bonds have matured or are the subject of redemption or whether the refunding special purpose revenue bonds shall be bonds for the multi-project programs described in section 2. In making this determination, the department shall comply with federal law relating to the exemption from federal income taxation of the interest on bonds of the nature authorized by this section.

SECTION 5. The authorization to issue special purpose revenue bonds under this Act shall lapse on June 30, 2023.

SECTION 6. This Act shall take effect on July 1, 2018.

(Approved June 7, 2018.)

ACT 37

H.B. NO. 2108

A Bill for an Act Relating to the Issuance of Special Purpose Revenue Bonds to Assist a Seawater Air Conditioning Project in Hawaii.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Act 129, Session Laws of Hawaii 2013, is amended by amending sections 4 and 5 to read as follows:

“SECTION 4. The department of budget and finance is authorized, from time to time, including times subsequent to ~~[June 30, 2018,]~~ June 30, 2023, to issue special purpose revenue bonds in whatever principal amounts the de-

partment shall determine to be necessary to refund the special purpose revenue bonds authorized in section 2 and to refund special purpose revenue bonds authorized in this section, regardless of whether the outstanding special purpose revenue bonds or refunding special purpose revenue bonds have matured or are the subject of redemption or whether the refunding special purpose revenue bonds shall be bonds for the multi-project programs described in section 2. In making this determination, the department shall comply with federal law relating to the exemption from federal income taxation of the interest on bonds of the nature authorized by this section.

SECTION 5. The authorization to issue special purpose revenue bonds under this Act shall lapse on [~~June 30, 2018.~~] June 30, 2023."

SECTION 2. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 3. This Act shall take effect on June 29, 2018.

(Approved June 7, 2018.)

ACT 38

S.B. NO. 1208

A Bill for an Act Relating to Agriculture.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds and declares that the issuance of special purpose revenue bonds under this Act is in the public interest and for the public health, safety, and general welfare.

SECTION 2. Pursuant to part X, chapter 39A, Hawaii Revised Statutes, the department of budget and finance, with the approval of the governor, is authorized to issue special purpose revenue bonds in a total amount not to exceed \$9,000,000, in one or more series, for the purpose of assisting Twin Bridge Farms, Inc., a Hawaii corporation, for the purchase of land identified by tax map key 6-7-001:026. The legislature hereby finds and determines that the purchase of this land constitutes a project as defined in part X, chapter 39A, Hawaii Revised Statutes, and the financing thereof is assistance to an agricultural enterprise.

SECTION 3. The special purpose revenue bonds and the refunding special purpose revenue bonds issued under this Act shall be issued pursuant to part X, chapter 39A, Hawaii Revised Statutes, relating to the power to issue special purpose revenue bonds to assist agricultural enterprises.

SECTION 4. The department of budget and finance is authorized, from time to time, including times subsequent to June 30, 2023, to issue special purpose revenue bonds in whatever principal amounts the department shall determine to be necessary to refund the special purpose revenue bonds authorized in section 2 and to refund special purpose revenue bonds authorized in this section, regardless of whether the outstanding special purpose revenue bonds or refunding special purpose revenue bonds have matured or are the subject of redemption or whether the refunding special purpose revenue bonds shall be bonds for the multi-project programs described in section 2. In making this determination, the department shall comply with federal law relating to the exemption from

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federal income taxation of the interest on bonds of the nature authorized by this section.

SECTION 5. The authorization to issue special purpose revenue bonds under this Act shall lapse on June 30, 2023.

SECTION 6. This Act shall take effect on July 1, 2018.

(Approved June 7, 2018.)

ACT 39

H.B. NO. 2748

A Bill for an Act Relating to Housing.

Be It Enacted by the Legislature of the State of Hawaii:

PART I

SECTION 1. (a) The Hawaii housing finance and development corporation shall conduct a study of the housing waitlists in the State and in each county to:

- (1) Estimate the number of individuals with access and functional needs in Hawaii, including but not limited to frail elderly individuals, individuals with physical or severe mental disabilities, individuals transitioning from incarceration, emancipated foster youth, individuals with an alcohol or drug addiction, individuals with HIV/AIDS, and victims of domestic violence, who are in need of housing;
- (2) Identify the supportive services that individuals with access and functional needs require, and inventory the number of providers of supportive services in each county;
- (3) Develop an information system to forecast and monitor the number of individuals with access and functional needs who are seeking affordable housing; and
- (4) Develop effective strategies to assist individuals with access and functional needs in accessing and retaining affordable housing in independent settings.

The Hawaii housing finance and development corporation shall consult with community stakeholders to identify any other issues that should be included in the study's scope of work.

(b) The Hawaii housing finance and development corporation shall submit a written report of its findings and recommendations, including any proposed legislation, to the legislature no later than twenty days prior to the convening of the regular session of 2019.

SECTION 2. There is appropriated out of the general revenues of the State of Hawaii the sum of \$50,000 or so much thereof as may be necessary for fiscal year 2018-2019 for the purposes of this part.

The sum appropriated shall be expended by the Hawaii housing finance and development corporation for the purposes of this part.

PART II

SECTION 3. Section 201H-36, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

“(a) In accordance with section 237-29, the corporation may approve and certify for exemption from general excise taxes any qualified person or firm involved with a newly constructed, or a moderately or substantially rehabilitated, project~~[-]~~ that is:

- (1) Developed under this part;
- (2) Developed under a government assistance program approved by the corporation, including but not limited to the United States Department of ~~[Agriculture]~~ Agriculture’s section 502 direct loan program and Federal Housing ~~[Administration]~~ Administration’s section 235 program;
- (3) Developed under the sponsorship of a private nonprofit organization providing home rehabilitation or new homes for qualified families in need of decent, low-cost housing;
- (4) Developed by a qualified person or firm to provide affordable rental housing where at least fifty per cent of the available units are for households with incomes at or below eighty per cent of the area median family income as determined by the United States Department of Housing and Urban Development, of which at least twenty per cent of the available units are for households with incomes at or below sixty per cent of the area median family income as determined by the United States Department of Housing and Urban Development; or
- (5) ~~[Effective]~~ Approved or certified from July 1, 2018, to June 30, ~~[2022,]~~ 2030, and developed under a contract described in section 104-2(i)(2) by a qualified person or firm to provide affordable rental housing~~[-]~~ through new construction or substantial rehabilitation; provided that:
 - (A) The allowable general excise tax and use tax costs shall apply to contracting only and shall not exceed ~~[\$7,000,000]~~ \$30,000,000 per year in the aggregate for all projects approved and certified by the corporation; and
 - (B) All available units are for households with incomes at or below one hundred forty per cent of the area median family income as determined by the United States Department of Housing and Urban Development, of which at least twenty per cent of the available units are for households with incomes at or below eighty per cent of the area median family income as determined by the United States Department of Housing and Urban Development~~[-]~~; provided that an owner shall not refuse to lease a unit solely because the applicant holds a voucher or certificate of eligibility under section 8 of the United States Housing Act of 1937, as amended.”

SECTION 4. Act 54, Session Laws of Hawaii 2017, is amended by amending section 5 to read as follows:

“SECTION 5. This Act shall take effect on July 1, 2017, and shall be repealed on June 30, ~~[2022,]~~ 2030; provided that:

- (1) Section 3 of this Act shall apply to taxable years beginning after December 31, 2017~~[-]~~, but shall not apply to projects certified or approved after June 30, 2030; and
- (2) Section 104-2, Hawaii Revised Statutes, and section 201H-36, Hawaii Revised Statutes, shall be reenacted in the form in which they read on the day before the effective date of this Act.”

PART III

SECTION 5. The Hawaii housing finance and development corporation shall submit a report to the legislature on its activities pursuant to section 201H-36, Hawaii Revised Statutes, and the amendments made to that section pursuant to section 3 of this Act no later than six months after the effective date of this Act.

PART IV

SECTION 6. There is appropriated out of the general revenues of the State of Hawaii the sum of \$200,000,000 or so much thereof as may be necessary for fiscal year 2017-2018 to be deposited into the rental housing revolving fund established pursuant to section 201H-202, Hawaii Revised Statutes.

SECTION 7. There is appropriated out of the rental housing revolving fund established pursuant to section 201H-202, Hawaii Revised Statutes, the sum of \$200,000,000 or so much thereof as may be necessary for fiscal year 2017-2018 for the purposes for which the revolving fund is established.

The sum appropriated shall be expended by the Hawaii housing finance and development corporation for the purposes of this section.

SECTION 8. There is appropriated out of the general revenues of the State of Hawaii the sum of \$10,000,000 or so much thereof as may be necessary for fiscal year 2017-2018 to be deposited into the dwelling unit revolving fund established pursuant to section 201H-191, Hawaii Revised Statutes.

SECTION 9. There is appropriated out of the dwelling unit revolving fund established pursuant to section 201H-191, Hawaii Revised Statutes, the sum of \$10,000,000 or so much thereof as may be necessary for fiscal year 2017-2018 for the purposes for which the revolving fund is established.

The sum appropriated shall be expended by the Hawaii housing finance and development corporation for the purposes of this section.

PART V

SECTION 10. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 11. This Act shall take effect upon its approval; provided that:

- (1) Part I shall take effect on July 1, 2018; and
- (2) The amendments made in section 3 of this Act to section 201H-36, Hawaii Revised Statutes, shall apply retroactively to taxable years beginning after December 31, 2017.

(Approved June 8, 2018.)

ACT 40

S.B. NO. 2582

A Bill for an Act Relating to Extended Terms of Imprisonment.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature notes with concern that in cases of vehicular homicide when the offender is under the influence of drugs or alcohol, the

offender may fail to render aid as required by law. Such circumstances result in additional extreme distress for the victim's family and friends.

The purpose of this Act is to authorize the courts to impose an extended term of imprisonment for an offender who is convicted of negligent homicide in the first degree and did not remain at the scene of the crime and render reasonable assistance to an injured person.

SECTION 2. Section 706-662, Hawaii Revised Statutes, is amended to read as follows:

“§706-662 Criteria for extended terms of imprisonment. A defendant who has been convicted of a felony may be subject to an extended term of imprisonment under section 706-661 if it is proven beyond a reasonable doubt that an extended term of imprisonment is necessary for the protection of the public and that the convicted defendant satisfies one or more of the following criteria:

- (1) The defendant is a persistent offender in that the defendant has previously been convicted of two or more felonies committed at different times when the defendant was eighteen years of age or older;
- (2) The defendant is a professional criminal in that:
 - (a) The circumstances of the crime show that the defendant has knowingly engaged in criminal activity as a major source of livelihood; or
 - (b) The defendant has substantial income or resources not explained to be derived from a source other than criminal activity;
- (3) The defendant is a dangerous person in that the defendant has been subjected to a psychiatric or psychological evaluation that documents a significant history of dangerousness to others resulting in criminally violent conduct, and this history makes the defendant a serious danger to others. Nothing in this section precludes the introduction of victim-related data to establish dangerousness in accord with the Hawaii rules of evidence;
- (4) The defendant is a multiple offender in that:
 - (a) The defendant is being sentenced for two or more felonies or is already under sentence of imprisonment for any felony; or
 - (b) The maximum terms of imprisonment authorized for each of the defendant's crimes, if made to run consecutively, would equal or exceed in length the maximum of the extended term imposed or would equal or exceed forty years if the extended term imposed is for a class A felony;
- (5) The defendant is an offender against the elderly, handicapped, or a minor eight years of age or younger in that:
 - (a) The defendant attempts or commits any of the following crimes: murder, manslaughter, a sexual offense that constitutes a felony under chapter 707, robbery, felonious assault, burglary, or kidnapping; and
 - (b) The defendant, in the course of committing or attempting to commit the crime, inflicts serious or substantial bodily injury upon a person who has the status of being:
 - (i) Sixty years of age or older;
 - (ii) Blind, a paraplegic, or a quadriplegic; or
 - (iii) Eight years of age or younger; and the person's status is known or reasonably should be known to the defendant; [e]

- (6) The defendant is a hate crime offender in that:
 - (a) The defendant is convicted of a crime under chapter 707, 708, or 711; and
 - (b) The defendant intentionally selected a victim or, in the case of a property crime, the property that was the object of a crime, because of hostility toward the actual or perceived race, religion, disability, ethnicity, national origin, gender identity or expression, or sexual orientation of any person. For purposes of this subsection, “gender identity or expression” includes a person’s actual or perceived gender, as well as a person’s gender identity, gender-related self-image, gender-related appearance, or gender-related expression, regardless of whether that gender identity, gender-related self-image, gender-related appearance, or gender-related expression is different from that traditionally associated with the person’s sex at birth[-]; or
- (7) The defendant is convicted under section 707-702.5 and the defendant did not remain at the scene of the crime and render reasonable assistance to an injured person, including acts and omissions in violation of section 291C-12.”

SECTION 3. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

SECTION 4. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 5. This Act shall take effect on July 1, 2018.
(Approved June 10, 2018.)

ACT 41

S.B. NO. 2514

A Bill for an Act Relating to Taxation.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Chapter 237, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

“§237- **Engaging in business in the State.** A person is engaging in business in the State, whether or not the person has a physical presence in the State, if in the current or immediately preceding calendar year:

- (1) The person’s gross income or gross proceeds from the sale of tangible personal property delivered in the State, services used or consumed in the State, or intangible property used in the State is \$100,000 or more; or
- (2) The person sold tangible personal property delivered in the State, services used or consumed in the State, or intangible property used in the State in two hundred or more separate transactions.”

SECTION 2. New statutory material is underscored.¹

SECTION 3. This Act shall take effect on July 1, 2018, and shall apply to taxable years beginning after December 31, 2017.

(Approved June 12, 2018.)

Note

1. Edited pursuant to HRS §23G-16.5.

ACT 42

S.B. NO. 2831

A Bill for an Act Relating to Procurement for the University of Hawaii.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that Act 87, Session Laws of Hawaii 2013, was enacted to: (1) remove the university president's full authority to act as chief procurement officer for the university for all procurement contracts under chapter 103D, Hawaii Revised Statutes, (2) transfer authority to the administrator of the state procurement office to act as chief procurement officer with respect to university construction contracts and university professional services contracts relating to construction, and (3) address concerns about the prudent and transparent management of public funds appropriated by the legislature and expended by the university for construction. Since its enactment, Act 87 has resulted in a bifurcated procurement system at the university wherein a different set of rules and procedures applies depending on whether the procurement involves construction or construction related professional services for university construction projects. Requirements for construction or professional services furnished by licensees under chapter 464, Hawaii Revised Statutes, must comply with the Hawaii public procurement code and procedures governing state executive branch agencies, while requirements for goods and services must comply with the Hawaii public procurement code and university executive and administrative procedures governing university transactions.

In January 2016, the state procurement office issued its report to the legislature as required under Act 87, which documents the extensive oversight, reviews, and coordination between the university and the state procurement office on procurements involving construction and professional services related to construction. The conclusion of the state procurement office in the report was that "based on SPO's review of 102 UH construction solicitations, UH's Administrative Procedures, and 14 post-award Site Visits, SPO finds that UH is conducting construction procurements in a compliant, efficient and transparent manner." In the report, the state procurement office further set forth minimum recommendations for improvement and mentioned several university specific procedures as "best-practices."

The purpose of this Act is to reinstate and restore full authority to the university president to act as the university's chief procurement officer for all procurement contracts under chapter 103D, Hawaii Revised Statutes.

SECTION 2. Section 103D-203, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) The chief procurement officer for each of the following state entities shall be:

- (1) The judiciary—the administrative director of the courts;
- (2) The senate—the president of the senate;

- (3) The house of representatives—the speaker of the house of representatives;
- (4) The office of Hawaiian affairs—the chairperson of the board;
- (5) The University of Hawaii—the president of the University of Hawaii; [~~provided that, except as specified in section 304A-2672(2), for contracts for construction and professional services furnished by licensees under chapter 464, the administrator of the state procurement office of the department of accounting and general services shall serve as the chief procurement officer;~~]
- (6) The department of education, excluding the Hawaii public library system—the superintendent of education;
- (7) The Hawaii health systems corporation—the chief executive officer of the Hawaii health systems corporation; and
- (8) The remaining departments of the executive branch of the State and all governmental bodies administratively attached to them—the administrator of the state procurement office of the department of accounting and general services.”

SECTION 3. Section 304A-2672, Hawaii Revised Statutes, is amended to read as follows:

“**§304A-2672 Powers of the board.** Notwithstanding any law to the contrary, the board may:

- (1) Designate as a university project, any undertaking, improvement, or facility on any one or more of the areas in one or more of the educational institutions under the jurisdiction of the board;
- (2) Construct and maintain university projects, including a university project included or to be in a university system; [~~provided that all procurements for professional services furnished by licensees under chapter 464 for construction projects shall be coordinated with the department of accounting and general services on behalf of the board; provided further that the department of accounting and general services shall not be responsible for procurements determined by both the University of Hawaii and the department of accounting and general services to be professional services furnished by licensees under chapter 464 for repair and maintenance;~~]
- (3) Combine two or more university projects into a university system on one or more of the areas on any one or more of the educational institutions under the jurisdiction of the board, and to maintain the system;
- (4) Combine two or more university projects, university systems, or university projects and university systems into a network, on any one or more of the areas on any one or more of the educational institutions under the jurisdiction of the board, and to maintain the network;
- (5) Prescribe and collect rents, fees, and charges for the use of or services furnished by any university project and the facilities thereof, and pledge any appropriation to any university project and the facilities thereof that in aggregate, produces revenue of the university at least sufficient to comply with section 304A-2681;
- (6) With the approval of the governor, issue revenue bonds under this subpart in such principal amount as may be authorized by the legislature from time to time to finance in whole or in part the cost of construction or the cost of maintenance of any university project, including funding reserves therefor;

- (7) Pledge to the punctual payment of revenue bonds and interest thereon, all or any part of the revenue of the university, including any appropriation, in an amount sufficient to pay the revenue bonds and interest as the same become due and to create and maintain reasonable reserves therefor;
- (8) Establish a loan program or a commercial paper program upon terms and conditions that the board may determine; and
- (9) Advance moneys of the university, not otherwise required, and do any and all other lawful acts as may be necessary, convenient, or desirable, for carrying into execution and administering this subpart.”

SECTION 4. The University of Hawaii shall submit an annual report to the legislature detailing a list of all capital improvement projects approved by the board of regents prioritized by each campus no later than twenty days prior to the convening of each regular session.

SECTION 5. Statutory material to be repealed is bracketed and stricken.

SECTION 6. This Act shall take effect upon its approval; provided that on June 30, 2021, this Act shall be repealed and sections 103D-203(a) and 304A-2672, Hawaii Revised Statutes, shall be reenacted in the form in which they read on the day prior to the effective date of this Act.

(Approved June 12, 2018.)

ACT 43

S.B. NO. 2298

A Bill for an Act Relating to Healthcare Preceptor Tax Credits.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that demand for healthcare providers in Hawaii is growing because of an increase in population size, particularly among the aged population; an improvement in access to care due to broader insurance coverage; and a higher prevalence of chronic diseases. At the same time, there is a primary care provider shortage in Hawaii that will be exacerbated by the projected retirements of current physicians and advanced practice registered nurses. If nothing is done to address the gap between healthcare supply and demand, patients will suffer from longer wait times to see providers and poorer health outcomes. Even more so, the evolution of healthcare delivery means academic institutions across Hawaii face challenges in ensuring an adequate number of future healthcare professionals who are well-distributed by location and by specialty and who are prepared to deliver primary, specialty, and behavioral health care in rural, urban, and suburban settings across Hawaii. Thus, the legislature acknowledges that in order to meet these growing healthcare demands, the State must work with academic institutions and healthcare professionals to ensure that there is an adequate and well-prepared healthcare workforce.

The legislature further finds that Hawaii high school students and residents are interested in pursuing careers in the healthcare service industry. However, in-state educational institutions are constrained by the lack of clinical education sites in Hawaii and the limited supply of qualified primary and specialty care preceptors. The legislature recognizes that efforts are currently underway to address these clinical site limitations, including travel support from health professional schools in Hawaii for students and residents who are incurring high

costs for training away from their home island. With out-of-state training having such a high cost, the State must consider expanding in-state healthcare provider education capacity.

The legislature also finds that the development of new clinical preceptors and training sites is increasingly difficult. The cohort of preceptors consists largely of volunteers who share the kuleana of educating the future healthcare workforce. Yet, providers who offer such volunteer-based education assume this responsibility above and beyond their regular patient-care responsibilities, subjecting themselves to preceptor fatigue, especially in busy clinical settings. Developing sufficient clinical training opportunities in areas of high demand requires a sufficient number of appropriately trained preceptors, but the limited availability of preceptors restricts in-state healthcare academic institutions from expanding healthcare provider training. Some states, including Maryland, Georgia, and Colorado, have identified preceptor tax exemptions as a means to increase the supply of health professional preceptors and trainees.

The purpose of this Act is to create a tax credit that encourages preceptors to offer professional instruction, training, and supervision to students and residents seeking careers as primary care physicians and advanced practice registered nurses throughout Hawaii, with the intention of building capacity for clinical education at in-state academic programs that are nationally accredited for the training of primary care physicians, advanced practice registered nurses, and pharmacy professionals.

SECTION 2. Chapter 235, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

“§235- Healthcare preceptor tax credit. (a) There shall be allowed to each taxpayer subject to the tax imposed by this chapter, a healthcare preceptor tax credit that shall be deductible from the taxpayer’s net income tax liability, if any, imposed by this chapter for the taxable year in which the credit is properly claimed.

(b) The amount of the credit shall be equal to \$1,000 for each volunteer-based supervised clinical training rotation supervised by the taxpayer, up to a maximum of \$5,000 per taxable year, regardless of the number of volunteer-based supervised clinical training rotations supervised by the taxpayer.

(c) The director of taxation:

- (1) Shall prepare any forms that may be necessary to claim a tax credit under this section;
- (2) May require the taxpayer to furnish reasonable information to ascertain the validity of the claim for the tax credit made under this section; and
- (3) May adopt rules pursuant to chapter 91 necessary to effectuate the purposes of this section.

(d) The preceptor credit assurance committee, established under section 321- , shall:

- (1) Maintain records of the names, addresses, and license numbers of the taxpayers claiming the credit under this section;
- (2) Certify the number of volunteer-based supervised clinical training rotations each taxpayer conducted by:
 - (A) Verifying that the taxpayer meets the requirements to serve as a preceptor;
 - (B) Verifying the number of hours the taxpayer spent supervising an eligible student in each volunteer-based supervised clinical training rotation;

- (C) Verifying that the eligible student was enrolled in an academic program in Hawaii; and
- (D) Verifying that the taxpayer was uncompensated; and
- (3) Certify the amount of the tax credit for each taxpayer for each taxable year and the cumulative amount of the tax credit.

Upon each determination, the preceptor credit assurance committee shall issue a certificate to the taxpayer verifying the number of volunteer-based supervised clinical training rotations supervised by the taxpayer, the credit amount certified for the taxpayer for each taxable year, and the cumulative amount of tax credits certified. The taxpayer shall file the certificate with the taxpayer's tax return with the department.

(e) If in any taxable year the annual amount of certified credits for all taxpayers reaches \$1,500,000 in the aggregate, the preceptor credit assurance committee shall immediately discontinue certifying credits and notify the department of taxation. In no instance shall the preceptor credit assurance committee certify a total amount of credits exceeding \$1,500,000 per taxable year. To comply with this restriction, the preceptor credit assurance committee shall certify or deny credits in the order submitted for certification; provided that credits shall not be submitted for certification prior to the supervised clinical training rotation being performed.

(f) If the tax credit under this section exceeds the taxpayer's income tax liability, the excess of the credit over liability may be used as a credit against the taxpayer's income tax liability in subsequent years until exhausted. All claims for the tax credit under this section, including amended claims, shall be filed on or before the end of the twelfth month following the close of the taxable year for which the credits may be claimed. Failure to comply with the foregoing provision shall constitute a waiver of the right to claim the credit.

(g) For the purposes of this section:

"Academic program" means an academic degree granting program or graduate medical education program that:

- (1) Holds either its principal accreditation or a physical location in Hawaii; and
- (2) Provides education to students, of whom more than fifty per cent are residents of Hawaii.

"Advanced practice registered nurse student" means an individual participating in a nationally accredited academic program that is for the education of advanced practice registered nurses and recognized by the state board of nursing pursuant to chapter 457.

"Eligible professional degree or training certificate" means a degree or certificate that fulfills a requirement to be a physician or osteopathic physician, pursuant to chapter 453, an advanced practice registered nurse, pursuant to chapter 457, or a pharmacist, pursuant to chapter 461.

"Eligible student" means an advanced practice registered nurse student, medical student, or pharmacy student who is enrolled in an academic program.

"Medical student" means an individual participating in a nationally accredited academic program leading to the medical doctor or doctor of osteopathy degree. "Medical student" includes graduates from nationally accredited academic programs who have continued their training, in the role of resident or fellow, to obtain the additional qualifications needed for medical licensure, pursuant to chapter 453, or specialty certification.

"Nationally accredited" means holding an institutional accreditation by name to offer post-secondary medical primary care education. Accreditation for medical students shall be offered by the Liaison Committee on Medical Education or American Osteopathic Association Commission on Osteopathic College

Accreditation. Accreditation for advanced practice registered nurse students shall be offered by the Commission on Collegiate Nursing Education.

“Pharmacy student” means an individual participating in an academic program that is nationally accredited for the training of individuals to become registered pharmacists pursuant to chapter 461.

“Preceptor” means a physician or osteopathic physician, licensed pursuant to chapter 453, an advanced practice registered nurse, licensed pursuant to chapter 457, or a pharmacist, licensed pursuant to chapter 461, who is a resident of Hawaii and who maintains a professional primary care practice in this State.

“Primary care” means the principal point of continuing care for patients provided by a healthcare provider, including health promotion, disease prevention, health maintenance, counseling, patient education, diagnosis and treatment of acute and chronic illnesses, and coordination of other specialist care that the patient may need.

“Volunteer-based supervised clinical training rotation” means an uncompensated period of supervised clinical training of an eligible student that totals at least eighty hours of supervisory time annually, in which a preceptor provides personalized instruction, training, and supervision to an eligible student to enable the eligible student to obtain an eligible professional degree or training certificate.”

SECTION 3. Chapter 321, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

“§321- Preceptor credit assurance committee. (a) There is established the preceptor credit assurance committee within the department of health. The committee shall develop and implement a plan for certifying healthcare preceptor tax credits under section 235- , including:

- (1) Developing a process ensuring that requests for credit certification are reviewed and verifications are processed no later than thirty days following the close of each calendar year;
- (2) Developing the documentation process for the committee to certify a preceptor for the tax credit; provided that the documentation to be collected shall include:
 - (A) The preceptor’s name, address, place of practice, and Hawaii provider license number;
 - (B) Dates and hours of volunteer-based supervised clinical training rotation per eligible student;
 - (C) Attestation that the preceptor is uncompensated for the volunteer-based supervised clinical training rotation; and
 - (D) Other information deemed necessary by the committee.
- (b) The committee shall be composed of representatives of:
 - (1) The Hawaii/Pacific basin area health education center;
 - (2) The center for nursing; and
 - (3) Academic programs with eligible students.
- (c) Members of the committee shall be immune from civil liability for any official act, decision, or omission performed for the purpose for which the committee was established, except for any acts, decisions, or omissions that constitute gross negligence or wilful misconduct.

(d) The proceedings of the committee shall not be subject to part I of chapter 92.

(e) As used in this section, “academic program”, “eligible student”, “preceptor”, and “volunteer-based supervised clinical training rotation” shall have the same meanings as in section 235- .”

SECTION 4. The department of health shall evaluate the efficacy of the healthcare preceptor tax credit established by this Act and submit a report to the legislature no later than June 30, 2024, which shall include the department's findings and a recommendation of whether the tax credit should be retained without modification, amended, or repealed.

SECTION 5. New statutory material is underscored.¹

SECTION 6. This Act shall take effect upon its approval; provided that section 2 shall apply to taxable years beginning after December 31, 2018.

(Approved June 13, 2018.)

Note

1. Edited pursuant to HRS §23G-16.5.

ACT 44

S.B. NO. 2653

A Bill for an Act Relating to Chapter 453, Hawaii Revised Statutes.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that one of the goals of medical licensure should be to establish access to quality medical care and overcome geographic barriers.

The legislature further finds that additional barriers such as availability and access may exist which can impede licensure in Hawaii of qualified physicians, surgeons, and osteopathic physicians. The legislature additionally finds that licensure by endorsement will provide an expedited and efficient process for a qualified physician, surgeon, or osteopathic physician to become licensed and provide quality medical care in Hawaii.

Accordingly, the purpose of this Act is to establish requirements for the licensure by endorsement of physicians, surgeons, and osteopathic physicians to practice in Hawaii.

SECTION 2. Chapter 453, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

“§453- Licensure by endorsement. (a) The board may issue a license by endorsement to a physician, surgeon, or osteopathic physician if:

- (1) The applicant:
 - (A) Files an application and pays fees as prescribed by the board;
 - (B) Holds a current, unencumbered, active license in a jurisdiction that requires qualifications substantially equivalent to or greater than the qualifications for licensure in this State as specified in section 453-4; and
 - (C) Submits proof satisfactory to the board that the applicant has actively practiced medicine in another jurisdiction for at least two of the immediate preceding five years; and
- (2) The board determines that no disciplinary action has been taken by any medical licensing authority and the applicant has not been the subject of adverse judgments or settlements resulting from the

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practice of medicine that the board determines constitute evidence of a pattern of negligence or incompetence.

(b) The board may require an applicant seeking licensure by endorsement to take and pass the Special Purpose Examination (SPEX) or the Comprehensive Osteopathic Medical Variable-Purpose Examination – USA (COMVEX-USA) to assist the board in determining the applicant’s ability to safely and competently engage in the practice of medicine.”

SECTION 3. The department of commerce and consumer affairs may employ necessary personnel without regard to chapter 76, Hawaii Revised Statutes, to assist with the implementation and continuing functions of this Act.

SECTION 4. There is appropriated out of the compliance resolution fund established pursuant to section 26-9(o), Hawaii Revised Statutes, the sum of \$104,000 or so much thereof as may be necessary for fiscal year 2018-2019 for purposes of implementing this Act.

The sum appropriated shall be expended by the department of commerce and consumer affairs for the purposes of this Act.

SECTION 5. New statutory material is underscored.¹

SECTION 6. This Act shall take effect on July 1, 2018; provided that section 2 shall take effect on December 31, 2018.

(Approved June 13, 2018.)

Note

1. Edited pursuant to HRS §23G-16.5.

ACT 45

S.B. NO. 3095

A Bill for an Act Relating to Environmental Protection.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Chapter 149A, Hawaii Revised Statutes, is amended by adding a new part to be appropriately designated and to read as follows:

“PART . Pesticide Reporting and Regulation Program

§149A-A Definitions. As used in this part:

“Normal school hours” means Monday through Friday from 7:00 a.m. until 4:00 p.m., excluding days when classes are not in session.

“School” means any public or private preschool, kindergarten, elementary, intermediate, middle, secondary, or high school.

§149A-B Post-application reporting of pesticide use. (a) Beginning January 1, 2019, every user of restricted use pesticides shall be subject to the requirement to submit to the department, for departmental use, an annual report of all use of restricted use pesticides as provided in this section.

(b) No later than thirty days following the end of each calendar year, every entity that uses restricted use pesticides shall provide to the department a report of all restricted use pesticides used during the preceding calendar year.

(c) The department shall adopt rules pursuant to chapter 91 requiring that the annual reports include the following information:

- (1) A listing, by federal and state registrations or permit numbers, commercial product names, and active ingredients, of all restricted use pesticides used;
- (2) The total quantities used for each restricted use pesticide;
- (3) A general description of the geographic location, including, at a minimum, the tax map key number, at which the restricted use pesticides were used; and
- (4) The date on which the restricted use pesticide application occurred.

§149A-C Public reports; contents. The department shall produce a summary, for public disclosure, by county, that includes:

- (1) The total quantities used, by federal and state registrations or permit numbers, commercial product names, and active ingredients, for each restricted use pesticide used; and
- (2) The amount of area in the county in which the restricted use application occurred.

§149A-D Buffer zones. Beginning January 1, 2019, no person shall apply a restricted use pesticide on or within one hundred feet of a school property during normal school hours; provided that this section shall not apply to whole structure fumigation; provided further that if this section is determined to conflict with any pesticide application information listed on the pesticide label, the more restrictive provision shall apply.

§149A-E Rules. The department shall adopt rules pursuant to chapter 91 to implement this part.”

SECTION 2. Section 149A-13.5, Hawaii Revised Statutes, is amended as follows:

1. By amending subsections (a) and (b) to read:

“(a) There is established within the treasury of the State, a pesticide use revolving fund. The fund shall be administered by the department for the purposes of this section. The fund shall consist of:

- (1) Licensing and registration fees and charges collected by the department under section 149A-13(b);
- (2) All fees collected by the department through the collection of training fees in accordance with subsection (c); ~~and~~
- (3) Funds appropriated for the pesticide subsidy program established under Act 105, Session Laws of Hawaii 2014~~[-]; and~~
- (4) All penalties and fines collected by the department under section 149A-41.

(b) Moneys in the pesticide use revolving fund shall be expended by the department ~~[to]~~:

- (1) To support the pesticide program’s registration and licensing, certification and education, and compliance monitoring activities~~[-The department shall also expend revolving fund moneys on the establishment of];~~
- (2) To establish pesticide training workshops~~[-]~~ and educational programs~~[- development of];~~
- (3) To develop integrated pest management strategies, the pesticide subsidy program created under Act 105, Session Laws of Hawaii 2014, and other services for pesticide users such as the agricultural pest

control industry, the structural pest control industry, and consumer users of pesticides, which provide pesticide instruction in areas including but not limited to the collection, disposal, and recycling of pesticide containers; and

- (4) ~~For~~ all other pesticide services deemed necessary by the department.

Moneys from the revolving fund may be used for personnel, services, materials, and equipment for the purposes of this section~~]; provided that the use of moneys from the revolving fund for personnel costs shall be limited to those employees under the registration and education section of the department's pesticides branch].~~

Moneys expended by the department from the pesticide use revolving fund for training workshops, educational programs, and other services for the agricultural pest control industry, the structural pest control industry, and consumer groups shall be expended in a manner that appropriately addresses the needs of each category of pesticide user.”

2. By amending subsection (e) to read:

“(e) All unobligated, unencumbered, or unexpended funds remaining in the fund in excess of ~~[\$250,000]~~ \$1,000,000 at the close of each fiscal year shall lapse to the state general fund.”

SECTION 3. Section 149A-31, Hawaii Revised Statutes, is amended to read as follows:

“**§149A-31 Prohibited acts.** No person shall:

- (1) Use any pesticide in a manner inconsistent with its label, except that it shall not be unlawful to:
 - (A) Apply a pesticide at any dosage, concentration, or frequency less than that specified on the label or labeling; provided that the efficacy of the pesticide is maintained ~~[and further]; provided further~~ that~~];~~ when a pesticide is applied by a commercial applicator, the deviation from the label recommendations ~~[must]~~ shall be with the consent of the purchaser of the pesticide application services;
 - (B) Apply a pesticide against any target pest not specified in the labeling if the application is to a crop, animal, or site specified on the label or labeling; provided that the label or labeling does not specifically prohibit the use on pests other than those listed on the label or labeling;
 - (C) Employ any method of application not prohibited by the labeling;
 - (D) Mix a pesticide or pesticides with a fertilizer when ~~[such]~~ the mixture is not prohibited by the label or labeling; or
 - (E) Use in a manner determined by rule not to be an unlawful act;
- (2) Use, store, transport, or discard any pesticide or pesticide container in any manner ~~[which]~~ that would have unreasonable adverse effects on the environment;
- (3) Use or apply restricted use pesticides unless the person is a certified pesticide applicator or under the direct supervision of a certified pesticide applicator with a valid certificate issued pursuant to rules adopted under section 149A-33(1); provided that it shall be prohibited to use or apply a restricted use pesticide for structural pest control uses for a fee or trading of services, unless the user or applicator is a pest control operator or is employed by a pest control operator licensed under chapter 460J;

- (4) Use or apply pesticides in any manner that has been suspended, canceled, or restricted pursuant to section 149A-32.5;
- (5) Falsify any record or report required to be made or maintained by rules adopted pursuant to this chapter; [øø]
- (6) Fill with water, through a hose, pipe, or other similar transmission system, any tank, implement, apparatus, or equipment used to disperse pesticides, unless the tank, implement, apparatus, equipment, hose, pipe, or other similar transmission system is equipped with an air gap or a reduced-pressure principle backflow device meeting the requirements under section 340E-2 and the rules adopted thereunder[-]; or
- (7) Beginning January 1, 2019, use or apply any pesticide containing chlorpyrifos as an active ingredient; provided that:
 - (A) The department shall grant to any person, upon request, a temporary permit authorizing the person, until December 31, 2022, to use or apply a pesticide containing chlorpyrifos as an active ingredient; and
 - (B) Any person who violates this paragraph shall be subject to a penalty pursuant to section 149A-41.”

SECTION 4. No later than July 1, 2019, the department of agriculture shall develop a pesticide drift monitoring study to evaluate pesticide drift at three schools within the State. The department of agriculture shall submit a report of its findings and recommendations to the legislature no later than twenty days prior to the convening of the regular session of 2020.

SECTION 5. There is appropriated out of the general revenues of the State of Hawaii the sum of \$300,000 or so much thereof as may be necessary for fiscal year 2018-2019 for the pesticide drift monitoring study to be developed pursuant to section 4 of this Act.

The sum appropriated shall be expended by the department of agriculture for the purposes of this Act.

SECTION 6. There is appropriated out of the general revenues of the State of Hawaii the sum of \$105,648 or so much thereof as may be necessary for fiscal year 2018-2019 to be expended for the purposes of this Act, including for the establishment of two full-time equivalent (2.0 FTE) positions in the department of agriculture.

The sum appropriated shall be expended by the department of agriculture for the purposes of this Act.

SECTION 7. There is appropriated out of the general revenues of the State of Hawaii the sum of \$300,000 or so much thereof as may be necessary for fiscal year 2018-2019 for outreach and education to effectuate this Act.

The sum appropriated shall be expended by the department of agriculture for the purposes of this Act.

SECTION 8. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

SECTION 9. If any provision of this Act, or the application thereof to any person or circumstance, is held invalid, the invalidity does not affect other

provisions or applications of the Act that can be given effect without the invalid provision or application, and to this end the provisions of this Act are severable.

SECTION 10. In codifying the new sections added by section 1 of this Act, the revisor of statutes shall substitute appropriate section numbers for the letters used in designating the new sections in this Act.

SECTION 11. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 12. This Act shall take effect on July 1, 2018.

(Approved June 13, 2018.)

ACT 46

H.B. NO. 2596

A Bill for an Act Relating to the Uniform Certificate of Title for Vessels Act.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The Hawaii Revised Statutes is amended by adding a new chapter to be appropriately designated and to read as follows:

**“CHAPTER
UNIFORM CERTIFICATE OF TITLE FOR VESSELS ACT**

§ -1 **Short title.** This chapter may be cited as the Uniform Certificate of Title for Vessels Act.

§ -2 **Definitions.** (a) As used in this chapter, unless the context otherwise requires:

“Barge” means a vessel that is not self propelled or fitted for propulsion by sail, paddle, oar, or similar device.

“Builder’s certificate” means a certificate of the facts of build of a vessel described in title 46 Code of Federal Regulations section 67.99, as amended.

“Buyer” means a person that buys or contracts to buy a vessel.

“Cancel”, with respect to a certificate of title, means to make the certificate ineffective.

“Certificate of origin” means a record created by a manufacturer or importer as the manufacturer’s or importer’s proof of identity of a vessel. “Certificate of origin” includes a manufacturer’s certificate or statement of origin and an importer’s certificate or statement of origin. “Certificate of origin” does not include a builder’s certificate.

“Certificate of title” means a record, created by the department under this chapter or by a governmental agency of another jurisdiction under the law of that jurisdiction, that is designated as a certificate of title by the department or agency and is evidence of ownership of a vessel.

“Dealer” means a person, including a manufacturer, in the business of selling vessels.

“Department” means the department of land and natural resources.

“Documented vessel” means a vessel covered by a certificate of documentation issued pursuant to title 46 United States Code section 12105, as amended.

“Documented vessel” does not include a foreign documented vessel.

“Electronic” means relating to technology having electrical, digital, magnetic, wireless, optical, electromagnetic, or similar capabilities.

“Electronic certificate of title” means a certificate of title consisting of information that is stored solely in an electronic medium and is retrievable in perceivable form.

“Foreign documented vessel” means a vessel the ownership of which is recorded in a registry maintained by a country other than the United States that identifies each person that has an ownership interest in a vessel and includes a unique alphanumeric designation for the vessel.

“Good faith” means honesty in fact and the observance of reasonable commercial standards of fair dealing.

“Hull damaged” means compromised with respect to the integrity of a vessel’s hull by a collision, allision, lightning strike, fire, explosion, running aground, or similar occurrence, or the sinking of a vessel in a manner that creates a significant risk to the integrity of the vessel’s hull.

“Hull identification number” means the alphanumeric designation assigned to a vessel pursuant to title 33 Code of Federal Regulations part 181, as amended.

“Lien creditor”, with respect to a vessel, means:

- (1) A creditor that has acquired a lien on the vessel by attachment, levy, or the like;
- (2) An assignee for benefit of creditors from the time of assignment;
- (3) A trustee in bankruptcy from the date of the filing of the petition; or
- (4) A receiver in equity from the time of appointment.

“Owner” means a person that has legal title to a vessel.

“Owner of record” means the owner indicated in the department’s files or, if the files indicate more than one owner, the owner indicated first.

“Person” means an individual; corporation; business trust; estate; trust; statutory trust; partnership; limited liability company; association; joint venture; public corporation; government or governmental subdivision, agency, or instrumentality; or any other legal or commercial entity.

“Purchase” means to take by sale, lease, mortgage, pledge, consensual lien, security interest, gift, or any other voluntary transaction that creates an interest in a vessel.

“Purchaser” means a person that takes by purchase.

“Record” means information that is inscribed on a tangible medium or that is stored in an electronic or other medium and is retrievable in perceivable form.

“Secured party”, with respect to a vessel, means a person:

- (1) In whose favor a security interest is created or provided for under a security agreement, regardless of whether any obligation to be secured is outstanding;
- (2) That is a consignor under article 9 of chapter 490; or
- (3) That holds a security interest arising under section 490:2-401, 490:2-505, 490:2-711(3), or 490:2A-508(e).

“Secured party of record” means the secured party whose name is indicated as the name of the secured party in the department’s files or, if the files indicate more than one secured party, the name indicated first.

“Security interest” means an interest in a vessel that secures payment or performance of an obligation if the interest is created by contract or arises under section 490:2-401, 490:2-505, 490:2-711(3), or 490:2A-508(e). “Security interest” includes any interest of a consignor in a vessel in a transaction that is subject to article 9 of chapter 490. “Security interest” does not include the special property

interest of a buyer of a vessel on identification of that vessel to a contract for sale under section 490:2-501, but a buyer also may acquire a security interest by complying with article 9 of chapter 490. Except as otherwise provided in section 490:2-505, the right of a seller or lessor of a vessel under article 2 or 2A of chapter 490 to retain or acquire possession of the vessel is not a security interest, but a seller or lessor also may acquire a security interest by complying with article 9 of chapter 490. The retention or reservation of title by a seller of a vessel notwithstanding shipment or delivery to the buyer under section 490:2-401 is limited in effect to a reservation of a security interest. Whether a transaction in the form of a lease creates a security interest shall be determined by section 490:1-203.

“Sign” means, with present intent to authenticate or adopt a record, to:

- (1) Make or adopt a tangible symbol; or
- (2) Attach to or logically associate with the record an electronic symbol, sound, or process.

“State” means a state of the United States, the District of Columbia, Puerto Rico, the United States Virgin Islands, or any territory or insular possession subject to the jurisdiction of the United States.

“State of principal use” means the state on whose waters a vessel is or will be used, operated, navigated, or employed more than on the waters of any other state during a calendar year.

“Title brand” means a designation of previous damage, use, or condition that shall be indicated on a certificate of title.

“Transfer of ownership” means a voluntary or involuntary conveyance of an interest in a vessel.

“Vessel” means any watercraft used or capable of being used as a means of transportation on water, except:

- (1) An amphibious vehicle for which a certificate of title is issued pursuant to part III of chapter 286 or a similar statute of another state;
- (2) A watercraft less than eight feet in length and propelled solely by sail, paddle, oar, or an engine of less than ten horsepower;
- (3) A watercraft that operates only on a permanently fixed, manufactured course and the movement of which is restricted to or guided by means of a mechanical device to which the watercraft is attached or by which the watercraft is controlled;
- (4) A stationary floating structure that:
 - (A) Does not have and is not designed to have a mode of propulsion of its own;
 - (B) Is dependent for utilities upon a continuous utility hookup to a source originating on shore; and
 - (C) Has a permanent, continuous hookup to a shoreside sewage system;
- (5) A watercraft owned by the United States; a state; a foreign government; or a political subdivision of the United States, a state, or a foreign government; and
- (6) A watercraft used solely as a lifeboat on another watercraft.

“Vessel number” means the alphanumeric designation for a vessel issued pursuant to title 46 United States Code section 12301, as amended.

“Written certificate of title” means a certificate of title consisting of information inscribed on a tangible medium.

(b) The following definitions and terms also apply to this chapter:

“Agreement”, as distinguished from “contract”, means the bargain of the parties in fact, as found in their language or inferred from other circumstances,

including course of performance, course of dealing, or usage of trade as provided in section 490:1-303.

“Buyer in ordinary course of business” means a person that buys goods in good faith, without knowledge that the sale violates the rights of another person in the goods, and in the ordinary course from a person, other than a pawnbroker, in the business of selling goods of that kind. A person buys goods in the ordinary course if the sale to the person comports with the usual or customary practices in the kind of business in which the seller is engaged or with the seller’s own usual or customary practices. A person that sells oil, gas, or other minerals at the wellhead or minehead is a person in the business of selling goods of that kind. A buyer in ordinary course of business may buy for cash, by exchange of other property, or on secured or unsecured credit, and may acquire goods or documents of title under a preexisting contract for sale. Only a buyer that takes possession of the goods or has a right to recover the goods from the seller under article 2 may be a buyer in ordinary course of business. “Buyer in the ordinary course of business” does not include a person that acquires goods in a transfer in bulk or as security for or in total or partial satisfaction of a money debt.

“Consumer goods” means goods that are used or bought for use primarily for personal, family, or household purposes.

“Debtor” means:

- (1) A person having an interest, other than a security interest or other lien, in the collateral, whether or not the person is an obligor;
- (2) A seller of accounts, chattel paper, payment intangibles, or promissory notes; or
- (3) A consignee.

“Knowledge” means actual knowledge.

“Lease” means a transfer of the right to possession and use of goods for a term in return for consideration, but a sale, including a sale on approval or a sale or return, or retention or creation of a security interest is not a lease. Unless the context clearly indicates otherwise, the term includes a sublease.

“Lessor” means a person who transfers the right to possession and use of goods under a lease. Unless the context clearly indicates otherwise, the term includes a sublessor.

“Notice” shall have the same meaning as in section 490:1-202.

“Sale” shall have the same meaning as in section 490:2-106(1).

“Security agreement” means an agreement that creates or provides for a security interest.

“Seller” means a person who sells or contracts to sell goods.

“Send” in connection with a writing, record, or notice means:

- (1) To deposit in the mail or deliver for transmission by any other usual means of communication with postage or cost of transmission provided for and properly addressed and, in the case of an instrument, to an address specified thereon or otherwise agreed, or if there be none to any address reasonable under the circumstances; or
- (2) In any other way to cause to be received any record or notice within the time it would have arrived if properly sent.

“Value” shall have the same meaning as in section 490:1-204.

(c) The definitions in subsections (a) and (b) shall not apply to any state or federal law governing licensing, numbering, or registration if the same term is used in that law.

§ -3 Applicability. Subject to section -28, this chapter applies to any transaction, certificate of title, or record relating to a vessel, even if the

transaction, certificate of title, or record was entered into or created before the effective date of this chapter.

§ -4 **Supplemental principles of law and equity.** Unless displaced by any provision of this chapter, the principles of law and equity shall supplement the provisions of this chapter.

§ -5 **Law governing vessel covered by certificate of title.** (a) The local law of the jurisdiction under whose certificate of title a vessel is covered governs all issues relating to the certificate from the time the vessel becomes covered by the certificate until the vessel becomes covered by another certificate or becomes a documented vessel, even if no other relationship exists between the jurisdiction and the vessel or its owner.

(b) A vessel becomes covered by a certificate of title when an application for the certificate and the applicable fee are delivered to the department in accordance with this chapter or to the governmental agency that creates a certificate in another jurisdiction in accordance with the law of that jurisdiction.

§ -6 **Certificate of title required.** (a) Beginning July 1, 2018, and except as otherwise provided in subsections (c) and (d):

- (1) The owner of a vessel that does not have a valid certificate of number pursuant to section 200-31 or a valid certificate of title pursuant to this chapter shall comply with subsection (b); and
- (2) The owner of a vessel that has a valid certificate of number pursuant to section 200-31, but does not have a valid certificate of title pursuant to this chapter, may comply with subsection (b) before the expiration date of the vessel's certificate of number and shall comply with subsection (b) after the expiration date of the vessel's certificate of number.

(b) The owner of a vessel for which this State is the state of principal use shall deliver to the department an application for a certificate of title for the vessel, with the applicable fee, no later than twenty days after the later of:

- (1) The date of a transfer of ownership; or
 - (2) The date this State becomes the state of principal use.
- (c) An application for a certificate of title is not required for:

- (1) A documented vessel;
- (2) A foreign documented vessel;
- (3) A barge;
- (4) A vessel before delivery if the vessel is under construction or completed pursuant to contract; or
- (5) A vessel held by a dealer for sale or lease.

(d) The department shall not issue, transfer, or renew a certificate of title for a vessel issued pursuant to the requirements of title 46 United States Code section 12301, as amended, unless the department has created a certificate of title for the vessel or an application for a certificate for the vessel and the applicable fee has been delivered to the department.

§ -7 **Application for certificate of title.** (a) Except as otherwise provided in sections -10, -15, -19, -20, -21, and -22, only an owner may apply for a certificate of title.

(b) An application for a certificate of title shall be signed by the applicant and contain:

- (1) The applicant's name, date of birth, driver's license or civil identification number, the street address of the applicant's principal residence, and, if different, the applicant's mailing address;
- (2) The name and mailing address of each other owner of the vessel;
- (3) The hull identification number for the vessel or, if none, an application for the issuance of a hull identification number for the vessel;
- (4) The vessel number for the vessel or, if none is issued by the department, an application for a vessel number;
- (5) A description of the vessel as required by the department, which shall include:
 - (A) The official number for the vessel, if any, assigned by the United States Coast Guard or the vessel registration number assigned by department;
 - (B) The name of the manufacturer, builder, or maker;
 - (C) The model year or the year in which the manufacture or build of the vessel was completed;
 - (D) The overall length of the vessel;
 - (E) The vessel type;
 - (F) The hull material;
 - (G) The propulsion type;
 - (H) The engine drive type, if any; and
 - (I) The fuel type, if any;
- (6) An indication of all security interests in the vessel known to the applicant and the name and mailing address of each secured party;
- (7) A statement that the vessel is not a documented vessel, a foreign documented vessel, or a barge;
- (8) Any title brand known to the applicant and, if known, the jurisdiction under whose law the title brand was created;
- (9) If the applicant knows that the vessel is hull damaged, a statement that the vessel is hull damaged;
- (10) If the application is made in connection with a transfer of ownership, the transferor's name; street address and, if different, mailing address; the sales price, if any; and the date of the transfer; and
- (11) If the vessel previously was registered or titled in another jurisdiction, a statement identifying each jurisdiction known to the applicant in which the vessel was registered or titled.
 - (c) In addition to the information required by subsection (b), an application for a certificate of title may contain an electronic communication address of the owner, transferor, or secured party.
 - (d) Except as otherwise provided in section -19, -20, -21, or -22, an application for a certificate of title shall be accompanied by:
 - (1) A certificate of title signed by the owner shown on the certificate and that:
 - (A) Identifies the applicant as the owner of the vessel; or
 - (B) Is accompanied by a record that identifies the applicant as the owner; or
 - (2) If there is no certificate of title:
 - (A) If the vessel was a documented vessel, a record issued by the United States Coast Guard that shows the vessel is no longer a documented vessel and identifies the applicant as the owner;
 - (B) If the vessel was a foreign documented vessel, a record issued by the foreign country that shows the vessel is no longer a foreign documented vessel and identifies the applicant as the owner; or

- (C) In all other cases, a certificate of origin, bill of sale, or other record that identifies the applicant as the owner to the satisfaction of the department.

The application shall also be accompanied by payment of any applicable titling fees, as set by the department.

(e) A record submitted in connection with an application shall be deemed part of the application. The department shall maintain the record in its files.

(f) The department may require that an application for a certificate of title be accompanied by payment or evidence of payment of all fees and taxes payable by the applicant under the law of this State other than this chapter in connection with the application or the acquisition or use of the vessel.

§ -8 Creation and cancellation of certificate of title. (a) Unless an application for a certificate of title is rejected under subsection (c) or (d), the department shall create a certificate for the vessel in accordance with subsection (b) no later than sixty days after delivery to it of an application that complies with section -7.

(b) If the department creates electronic certificates of title, the department shall create an electronic certificate unless in the application the secured party of record or, if none, the owner of record, requests that the department create a written certificate.

(c) Except as otherwise provided in subsection (d), the department may reject an application for a certificate of title only if:

- (1) The application does not comply with section -7;
- (2) The application does not contain documentation sufficient for the department to determine whether the applicant is entitled to a certificate;
- (3) There is a reasonable basis for concluding that the application is fraudulent or issuance of a certificate would facilitate a fraudulent or illegal act; or
- (4) The application does not comply with the law of this State other than this chapter.

(d) The department shall reject an application for a certificate of title for a vessel that is a documented vessel or a foreign documented vessel.

(e) The department may cancel a certificate of title it created only if the department:

- (1) Could have rejected the application for the certificate pursuant to subsection (c);
- (2) Is required to cancel the certificate under another provision of this chapter; or
- (3) Receives satisfactory evidence that the vessel is a documented vessel or a foreign documented vessel.

§ -9 Content of certificate of title. (a) A certificate of title shall contain:

- (1) The date the certificate was created;
- (2) The name of the owner of record and, if not all owners are listed, an indication that there are additional owners indicated in the department's files;
- (3) The mailing address of the owner of record;
- (4) The hull identification number;
- (5) The information regarding description of the vessel listed in section -7(b)(5);

- (6) Except as otherwise provided in section 15(b), the name and mailing address of the secured party of record, if any, and if not all secured parties are listed, an indication that there are other security interests indicated in the department's files; and
 - (7) All title brands indicated in the department's files covering the vessel, including brands indicated on a certificate created by a governmental agency of another jurisdiction and delivered to the department.
- (b) This chapter shall not preclude the department from noting on a certificate of title the name and mailing address of a secured party that is not a secured party of record.
- (c) For each title brand indicated on a certificate of title, the certificate shall identify the jurisdiction under whose law the title brand was created or the jurisdiction that created the certificate on which the title brand was indicated. If the meaning of a title brand is not easily ascertainable or cannot be accommodated on the certificate, the certificate may state: "Previously branded in (insert the jurisdiction under whose law the title brand was created or whose certificate of title previously indicated the title brand)".
- (d) If the department's files indicate that a vessel was previously registered or titled in a foreign country, the department shall indicate on the certificate of title that the vessel was registered or titled in that country.
- (e) A written certificate of title shall contain a form that all owners indicated on the certificate may sign to evidence consent to a transfer of an ownership interest to another person. The form shall include a certification, signed under penalty of unsworn falsification to authorities, pursuant to section 710-1063, that the statements made are true and correct to the best of each owner's knowledge, information, and belief.
- (f) A written certificate of title shall contain a form for the owner of record to indicate, in connection with a transfer of an ownership interest, that the vessel is hull damaged.

§ -10 Title brand. (a) Unless subsection (c) applies, at or before the time the owner of record transfers an ownership interest in a hull-damaged vessel that is covered by a certificate of title created by the department, if the damage occurred while that person was an owner of the vessel and the person has notice of the damage at the time of the transfer, the owner shall:

- (1) Deliver to the department an application for a new certificate that complies with section 7 and includes the title brand designation "Hull Damaged"; or
 - (2) Indicate on the certificate in the place designated for that purpose that the vessel is hull damaged and deliver the certificate to the transferee.
- (b) No later than twenty days after delivery to the department of the application under subsection (a)(1) or the certificate of title under subsection (a)(2), the department shall create a new certificate that indicates that the vessel is branded "Hull Damaged".
- (c) Before an insurer transfers an ownership interest in a hull damaged vessel that is covered by a certificate of title created by the department, the insurer shall deliver to the department an application for a new certificate that complies with section 6 and includes the title brand designation "Hull Damaged". No later than twenty days after delivery of the application to the department, the department shall create a new certificate that indicates that the vessel is branded "Hull Damaged".
- (d) An owner of record that fails to comply with subsection (a), a person that solicits or colludes in a failure by an owner of record to comply with

subsection (a), or an insurer that fails to comply with subsection (c) shall be subject to an administrative penalty of \$1,000.

§ -11 Maintenance of and access to files. (a) For each record relating to a certificate of title submitted to the department, the department shall:

- (1) Ascertain or assign the hull identification number for the vessel;
- (2) Maintain the hull identification number and all the information submitted with the application pursuant to section -7(b) to which the record relates, including the date and time the record was delivered to the department;
- (3) Maintain the files for public inspection subject to subsection (e); and
- (4) Index the department's files as required by subsection (b).

(b) The department shall maintain in its files the information contained in all certificates of title created under this chapter. The information in the department's files shall be searchable by the hull identification number of the vessel, the vessel number, the name of the owner of record, and any other method used by the department.

(c) The department shall maintain in its files, for each vessel for which it has created a certificate of title, all title brands known to the department, the name of each secured party known to the department, the name of each person known to the department to be claiming an ownership interest, and all stolen-property reports the department has received.

(d) Upon request, for safety, security, or law-enforcement purposes, the department shall provide to federal, state, or local government the information in its files relating to any vessel for which the department has issued a certificate of title.

(e) The department shall allow public inspection of its files as provided by chapter 92F; provided that the department shall not publicly disclose an individual's home address, home telephone number, date of birth, citizenship status, or driver's license or civil identification number, or the name of an applicant whose application was not granted.

§ -12 Action required on creation of certificate of title. (a) On creation of a written certificate of title, the department shall promptly send the certificate to the secured party of record or, if none, to the owner of record, at the address indicated for that person in the department's files. On creation of an electronic certificate of title, the department shall promptly send a record evidencing the certificate to the owner of record and, if there is one, to the secured party of record, at the address indicated for that person in the department's files. The department may send the record to the person's mailing address or, if indicated in its files, an electronic mail address.

(b) If the department creates a written certificate of title, any electronic certificate of title for the vessel is canceled and replaced by the written certificate. The department shall maintain in its files the date and time of cancellation.

(c) Before the department creates an electronic certificate of title, any written certificate for the vessel shall be surrendered to the department. If the department creates an electronic certificate, the department shall destroy or otherwise cancel the written certificate for the vessel that has been surrendered to the department and maintain in its files the date and time of destruction or other cancellation. If a written certificate being canceled is not destroyed, the department shall indicate on the face of the certificate that it has been canceled.

§ -13 **Effect of certificate of title.** A certificate of title is prima facie evidence of the accuracy of the information in the record that constitutes the certificate.

§ -14 **Effect of possession of certificate of title; judicial process.** Possession of a certificate of title shall not by itself provide a right to obtain possession of a vessel. Garnishment, attachment, levy, replevin, or other judicial process against the certificate shall not be effective to determine possessory rights to the vessel. This chapter shall not prohibit enforcement under the law of this State other than this chapter of a security interest in, levy on, or foreclosure of a statutory or common-law lien on a vessel. Absence of an indication of a statutory or common-law lien on a certificate shall not invalidate the lien.

§ -15 **Perfection of security interest.** (a) Except as otherwise provided in this section or section -28, a security interest in a vessel may be perfected only by receipt by the department of an application for a certificate of title that identifies the secured party and otherwise complies with section -7. The security interest is perfected on receipt by the department of the application and the applicable fee or attachment of the security interest under section 490:9-203, whichever occurs later.

(b) If the interest of a person named as owner, lessor, consignor, or bailor in an application for a certificate of title received by the department is a security interest, the application shall be deemed to sufficiently identify the person as a secured party. Identification on the application for a certificate of a person as owner, lessor, consignor, or bailor shall not be by itself a factor in determining whether the person's interest is a security interest.

(c) If the department has created a certificate of title for a vessel, a security interest in the vessel may be perfected by receipt by the department of an application, on a form the department may require, to have the security interest added to the certificate. The application shall be signed by an owner of the vessel or by the secured party and shall include:

- (1) The name of the owner of record;
- (2) The name and mailing address of the secured party;
- (3) The hull identification number for the vessel; and
- (4) If the department has created a written certificate of title for the vessel, the certificate.

(d) A security interest perfected under subsection (c) is perfected on receipt by the department of the application and all applicable fees or attachment of the security interest under section 490:9-203, whichever occurs later.

(e) On receipt of an application that complies with subsection (c) and payment of all applicable fees, the department shall create a new certificate of title pursuant to section -8 and deliver the new certificate or a record evidencing an electronic certificate pursuant to section -12(a). The department shall maintain in its files the date and time of receipt of the application by the department.

(f) If a secured party assigns a perfected security interest in a vessel, the receipt by the department of a statement providing the name of the assignee as secured party shall not be required to continue the perfected status of the security interest against creditors of and transferees from the original debtor. A purchaser of a vessel subject to a security interest that obtains a release from the secured party indicated in the department's files or on the certificate takes free of the security interest and of the rights of a transferee unless the transfer is indicated in the department's files or on the certificate.

(g) This section shall not apply to a security interest:

- (1) Created in a vessel by a person during any period in which the vessel is inventory held for sale or lease by the person or is leased by the person as lessor if the person is in the business of selling vessels;
- (2) In a barge for which no application for a certificate of title has been delivered to the department; or
- (3) In a vessel before delivery if the vessel is under construction, or completed, pursuant to contract and for which no application for a certificate has been delivered to the department.

(h) This subsection shall only apply if a certificate of documentation for a documented vessel is deleted or canceled. If a security interest in the vessel was valid immediately before deletion or cancellation against a third party as a result of compliance with title 46 United States Code section 31321, as amended, the security interest is and remains perfected until four months after cancellation of the certificate or the time the security interest becomes perfected under this chapter, whichever occurs earlier.

(i) A security interest in a vessel arising under section 490:2-401, 490:2-505, 490:2-711(3), or 490:2A-508(e) is perfected when it attaches but becomes unperfected when the debtor obtains possession of the vessel, unless before the debtor obtains possession the security interest is perfected pursuant to subsection (a) or (c).

(j) A security interest in a vessel as proceeds of other collateral is perfected to the extent provided in section 490:9-315.

(k) A security interest in a vessel perfected under the law of another jurisdiction is perfected to the extent provided in section 490:9-316(d).

§ -16 Termination statement. (a) A secured party indicated in the department's files as having a security interest in a vessel shall deliver a termination statement to the department and, on the debtor's request, to the debtor, by the earlier of:

- (1) Twenty days after the secured party receives a signed demand from an owner for a termination statement; there is no obligation secured by the vessel subject to the security interest; and no commitment to make an advance, incur an obligation, or otherwise give value secured by the vessel; or
- (2) If the vessel holds consumer goods, thirty days after there is no obligation secured by the vessel and no commitment to make an advance, incur an obligation, or otherwise give value secured by the vessel.

(b) If a written certificate of title has been created and delivered to a secured party and a termination statement is required under subsection (a), the secured party, no later than the date required by subsection (a), shall deliver the certificate to the debtor or to the department with the statement. If the certificate is lost, stolen, mutilated, destroyed, or is otherwise unavailable or illegible, the secured party shall deliver with the statement, no later than the date required by subsection (a), an application for a replacement certificate in accordance with section -22.

(c) On delivery to the department of a termination statement authorized by the secured party, the security interest to which the statement relates ceases to be perfected. If the security interest to which the statement relates was indicated on the certificate of title, the department shall create a new certificate and deliver the new certificate or a record evidencing an electronic certificate. The department shall maintain in its files the date and time of delivery of the statement to the department.

(d) A secured party that fails to comply with this section is liable for any loss that the secured party had reason to know may result from its failure to comply and could not reasonably have been prevented and for the cost of an application for a certificate of title under section -7 or -22.

§ -17 Transfer of ownership. (a) On voluntary transfer of an ownership interest in a vessel covered by a certificate of title, the following rules shall apply:

- (1) If the certificate is a written certificate of title and the transferor's interest is noted on the certificate, the transferor shall promptly sign the certificate and deliver it to the transferee. If the transferor does not have possession of the certificate, the person in possession of the certificate shall have the duty to facilitate the transferor's compliance with this paragraph. A secured party shall not have a duty to facilitate the transferor's compliance with this paragraph if the proposed transfer is prohibited by the security agreement;
- (2) If the certificate of title is an electronic certificate of title, the transferor promptly shall sign and deliver to the transferee a record evidencing the transfer of ownership to the transferee; and
- (3) The transferee shall have a right enforceable by specific performance to require the transferor to comply with paragraph (1) or (2).

(b) The creation of a certificate of title identifying the transferee as owner of record satisfies subsection (a).

(c) A failure to comply with subsection (a) or to apply for a new certificate of title shall not render a transfer of ownership of a vessel ineffective between the parties. Except as otherwise provided in section -18, -19, -23(a), or -24, a transfer of ownership without compliance with subsection (a) shall not be effective against another person claiming an interest in the vessel.

(d) A transferor that complies with subsection (a) shall not be liable as owner of the vessel for an event occurring after the transfer, regardless of whether the transferee applies for a new certificate of title.

§ -18 Effect of missing or incorrect information. Except as otherwise provided in section 490:9-337, a certificate of title or other record required or authorized by this chapter shall be effective even if it contains incorrect information or does not contain required information.

§ -19 Transfer of ownership by secured party's transfer statement. (a) As used in this section, "secured party's transfer statement" means a record signed by the secured party of record stating:

- (1) That there has been a default on an obligation secured by the vessel;
- (2) The secured party of record is exercising or has exercised post-default remedies with respect to the vessel;
- (3) By reason of the exercise, the secured party of record has the right to transfer the ownership interest of an owner, and the name of the owner;
- (4) The name and last-known mailing address of the owner of record and the secured party of record;
- (5) The name of the transferee;
- (6) Other information required by section -7(b); and
- (7) One of the following:
 - (A) The certificate of title is an electronic certificate;
 - (B) The secured party does not have possession of the written certificate of title created in the name of the owner of record; or

(C) The secured party is delivering the written certificate of title to the department with the secured party's transfer statement.

(b) Unless the department rejects a secured party's transfer statement for a reason stated in section -8(c), no later than twenty days after delivery to the department of the statement and payment of fees and taxes payable under the law of this State other than this chapter in connection with the statement or the acquisition or use of the vessel, the department shall:

- (1) Accept the statement;
- (2) Amend the department's files to reflect the transfer; and
- (3) If the name of the owner whose ownership interest is being transferred is indicated on the certificate of title:
 - (A) Cancel the certificate even if the certificate has not been delivered to the department;
 - (B) Create a new certificate indicating the transferee as owner; and
 - (C) Deliver the new certificate or a record evidencing an electronic certificate.

(c) An application under subsection (a) or the creation of a certificate of title under subsection (b) shall not be by itself a disposition of the vessel and shall not by itself relieve the secured party of its duties under article 9 of chapter 490.

§ -20 Transfer by operation of law. (a) As used in this section:

"By operation of law" means pursuant to a law or judicial order affecting ownership of a vessel:

- (1) Because of death, divorce, or other family law proceeding; merger; consolidation; dissolution; or bankruptcy;
- (2) Through the exercise of the rights of a lien creditor or a person having a lien created by statute or rule of law; or
- (3) Through other legal process.

"Transfer by law statement" means a record signed by a transferee stating that by operation of law the transferee has acquired or has the right to acquire an ownership interest in a vessel.

(b) A transfer by law statement shall contain:

- (1) The name and last known mailing address of the owner of record and the transferee and the other information required by section -7(b);
- (2) Documentation sufficient to establish the transferee's ownership interest or right to acquire the ownership interest;
- (3) A statement that:
 - (A) The certificate of title is an electronic certificate of title;
 - (B) The transferee does not have possession of the written certificate of title created in the name of the owner of record; or
 - (C) The transferee is delivering the written certificate to the department with the transfer by law statement; and
- (4) Except for a transfer described in paragraph (1) of the definition of "by operation of law", evidence that notification of the transfer and the intent to file the transfer by law statement has been sent to all persons indicated in the department's files as having an interest, including a security interest, in the vessel.

(c) Unless the department rejects a transfer by law statement for a reason stated in section -8(c) or because the statement does not include documentation satisfactory to the department as to the transferee's ownership interest or right to acquire the ownership interest, no later than twenty days after delivery to the department of the statement and payment of fees and taxes pay-

able under the law of this State other than this chapter in connection with the statement or with the acquisition or use of the vessel, the department shall:

- (1) Accept the statement;
- (2) Amend the department's files to reflect the transfer; and
- (3) If the name of the owner whose ownership interest is being transferred is indicated on the certificate of title:
 - (A) Cancel the certificate even if the certificate has not been delivered to the department;
 - (B) Create a new certificate indicating the transferee as owner;
 - (C) Indicate on the new certificate any security interest indicated on the canceled certificate, unless a court order provides otherwise; and
 - (D) Deliver the new certificate or a record evidencing an electronic certificate.

(d) This section shall not apply to a transfer of an interest in a vessel by a secured party under part 6, article 9 of chapter 490.

§ -21 Application for transfer of ownership or termination of security interest without certificate of title. (a) Except as otherwise provided in section -19 or -20, if the department receives, unaccompanied by a signed certificate of title, an application for a new certificate that includes an indication of a transfer of ownership or a termination statement, the department may create a new certificate under this section only if:

- (1) All other requirements under sections -7 and -8 are met;
- (2) The applicant provides an affidavit stating facts showing the applicant is entitled to a transfer of ownership or termination statement;
- (3) The applicant provides the department with satisfactory evidence that notification of the application has been sent to the owner of record and all persons indicated in the department's files as having an interest, including a security interest, in the vessel, at least forty-five days have passed since the notification was sent, and the department has not received an objection from any of those persons; and
- (4) The applicant submits any other information required by the department as evidence of the applicant's ownership or right to terminate the security interest, and the department has no credible information indicating theft, fraud, or an undisclosed or unsatisfied security interest, lien, or other claim to an interest in the vessel.

(b) The department may indicate in a certificate of title created under subsection (a) that the certificate was created without submission of a signed certificate or termination statement. Unless credible information indicating theft, fraud, or an undisclosed or unsatisfied security interest, lien, or other claim to an interest in the vessel is delivered to the department no later than one year after creation of the certificate, on request in a form and manner required by the department, the department shall remove the indication from the certificate.

§ -22 Replacement certificate of title. (a) If a written certificate of title is lost, stolen, mutilated, destroyed, or otherwise becomes unavailable or illegible, the secured party of record or, if no secured party is indicated in the department's files, the owner of record may apply for and, by furnishing information satisfactory to the department, obtain a replacement certificate in the name of the owner of record.

(b) An applicant for a replacement certificate of title shall sign the application, and, except as otherwise permitted by the department, the application shall comply with section -7. The application shall include the existing

certificate unless the certificate is lost, stolen, mutilated, destroyed, or otherwise unavailable.

(c) A replacement certificate of title created by the department shall comply with section -9 and indicate on the face of the certificate that it is a replacement certificate.

(d) If a person receiving a replacement certificate of title subsequently obtains possession of the original written certificate, the person promptly shall destroy the original certificate of title.

(e) The department may set and charge fees for a replacement certificate of title.

§ -23 Rights of purchaser other than secured party. (a) A buyer in ordinary course of business has the protections afforded by sections 490:2-403(2) and 490:9-320(a) even if an existing certificate of title was not signed and delivered to the buyer or a new certificate listing the buyer as owner of record was not created.

(b) Except as otherwise provided in sections -17 and -24, the rights of a purchaser of a vessel that is not a buyer in ordinary course of business or a lien creditor are governed by chapter 490.

§ -24 Rights of secured party. (a) Subject to subsection (b), the effect of perfection and nonperfection of a security interest and the priority of a perfected or unperfected security interest with respect to the rights of a purchaser or creditor, including a lien creditor, shall be governed by chapter 490.

(b) If, while a security interest in a vessel is perfected by any method under this chapter, the department creates a certificate of title that does not indicate that the vessel is subject to the security interest or contain a statement that it may be subject to security interests not indicated on the certificate:

- (1) A buyer of the vessel, other than a person in the business of selling or leasing vessels of that kind, takes free of the security interest if the buyer, acting in good faith and without knowledge of the security interest, gives value and receives possession of the vessel; and
- (2) The security interest is subordinate to a conflicting security interest in the vessel that is perfected under section -15 after creation of the certificate and without the conflicting secured party's knowledge of the security interest.

§ -25 Duties and operation of department. (a) The department shall retain the evidence used to establish the accuracy of the information in its files relating to the current ownership of a vessel and the information on the certificate of title.

(b) The department shall retain in its files all information regarding a security interest in a vessel for at least ten years after the department receives a termination statement regarding the security interest. The information shall be accessible by the hull identification number for the vessel and any other methods provided by the department.

(c) If a person submits a record to the department, or submits information that is accepted by the department, and requests an acknowledgment of the filing or submission, the department shall send to the person an acknowledgment showing the hull identification number of the vessel to which the record or submission relates, the information in the filed record or submission, and the date and time the record was received or the submission accepted. A request under this section shall contain the hull identification number and be delivered by means authorized by the department.

(d) The department shall send or otherwise make available in a record the following information to any person that requests it and pays the applicable fee:

- (1) Whether the department's files indicate, as of a date and time specified by the department, but not a date earlier than three days before the department received the request, any certificate of title, security interest, termination statement, or title brand that relates to a vessel:
 - (A) Identified by a hull identification number designated in the request;
 - (B) Identified by a vessel number designated in the request; or
 - (C) Owned by a person designated in the request; and
- (2) With respect to the vessel:
 - (A) The name and address of any owner as indicated in the department's files or on the certificate of title;
 - (B) The name and address of any secured party as indicated in the department's files or on the certificate, and the effective date of the information;
 - (C) A copy of any termination statement indicated in the department's files and the effective date of the termination statement; and
 - (D) A copy of any certificate of origin, secured party transfer statement, transfer by law statement under section 20, and other evidence of previous or current transfers of ownership.

(e) In responding to a request under this section, the department may provide the requested information in any medium. On request, the department shall send the requested information in a record that is self-authenticating under section 626-1, rule 902.

§ -26 Uniformity of application and construction. In applying and construing this uniform act, consideration shall be given to the need to promote uniformity of the law with respect to its subject matter among states that enact it.

§ -27 Relation to the Electronic Signatures in Global and National Commerce Act. This chapter modifies, limits, and supersedes the federal Electronic Signatures in Global and National Commerce Act, title 15 United States Code section 7001 et seq., but does not modify, limit, or supersede section 101(c) of that Act, title 15 United States Code section 7001(c), or authorize electronic delivery of any of the notices described in section 103(b) of that Act, title 15 United States Code section 7003(b).

§ -28 Savings clause. (a) The rights, duties, and interests flowing from a transaction, certificate of title, or record relating to a vessel that was validly entered into or created before the effective date of this chapter and would be subject to this chapter if it had been entered into or created on or after the effective date of this chapter, remain valid on and after the effective date of this chapter.

(b) This chapter shall not affect an action or proceeding commenced before the effective date of this chapter.

(c) Except as otherwise provided in subsection (d), a security interest that is enforceable immediately before the effective date of this chapter and would have priority over the rights of a person that becomes a lien creditor at that time is a perfected security interest under this chapter.

(d) A security interest perfected immediately before the effective date of this chapter remains perfected until the earlier of:

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- (1) The time perfection would have ceased under the law under which the security interest was perfected; or
- (2) Three years after the effective date of this chapter.
- (e) This chapter shall not affect the priority of a security interest in a vessel if immediately before the effective date of this chapter the security interest is enforceable and perfected, and that priority is established.

§ -29 **Rules.** The department may adopt rules in accordance with chapter 91 to effectuate this chapter.”

SECTION 2. This Act shall take effect on July 1, 2018.

(Approved June 20, 2018.)

ACT 47

H.B. NO. 2215

A Bill for an Act Relating to Bicycles.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that maintaining a safe passing distance between vehicles and bicyclists on the road will directly address one of the biggest hazards to bicyclists. According to the United States Department of Transportation, National Highway Traffic Safety Administration, twenty-eight cyclists have been killed on roads in Hawaii during the time period between 2006 and 2015. A May 2014 report conducted by the League of American Bicyclists stated that forty-four per cent of all bicyclist fatalities result from being struck from behind or sideswiped by a motorist. The National Highway Traffic Safety Administration reported in its 2012 “National Survey of Bicyclist and Pedestrian Attitudes and Behavior” that twelve per cent of bicyclists “felt threatened for personal safety” the last time they rode a bicycle. The primary reason given by those bicyclists was that “someone drove too close to them.”

The legislature further finds that safely sharing our roads requires clear ground rules. Many drivers do not know the amount of distance they need to maintain to safely pass a bicyclist. A law that sets a three-foot safe passing distance would make it clear to drivers how much space they must maintain when passing a bicyclist.

The legislature also finds that similar safe passing distance laws have been effective in other jurisdictions. Thirty-nine states and the District of Columbia have a safe passing distance law. Twenty-eight of those jurisdictions require a three-foot safe passing distance. Some of those jurisdictions require four feet or more.

The purpose of this Act is to require a three-foot minimum safe passing distance when a motorist passes and overtakes a bicyclist.

SECTION 2. Section 291C-43, Hawaii Revised Statutes, is amended to read as follows:

“~~[[[§291C-43]]]~~ **Overtaking a vehicle or bicycle on the left.** The following rules shall govern the overtaking and passing of vehicles or bicycles proceeding in the same direction, subject to those limitations, exceptions, and special rules hereinafter stated:

- (1) The driver of a vehicle overtaking another vehicle proceeding in the same direction shall pass to the left thereof at a safe distance and

shall not again drive to the right side of the roadway until safely clear of the overtaken vehicle.

- (2) The driver of a vehicle passing or overtaking a bicyclist proceeding in the same direction shall allow at least three feet of separation between the right side of the driver's vehicle, including all mirrors or other protuberances, and the left side of the bicyclist, and shall not again drive to the right side of the roadway until safely clear of the overtaken bicycle.
- [(2)] (3) Except when overtaking and passing on the right is permitted, the driver of an overtaken vehicle shall give way to the right in favor of the overtaking vehicle on audible signal and shall not increase the speed of the driver's vehicle until completely passed by the overtaking vehicle."

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect on July 1, 2018.

(Approved June 20, 2018.)

ACT 48

H.B. NO. 2442

A Bill for an Act Relating to Abandoned Vehicles.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that abandoned vehicles on public roads are a widespread environmental disaster that can adversely impact human health and safety.

The purpose of this Act is to require the counties to remove and dispose of abandoned vehicles on public roads within ten business days of abandonment.

SECTION 2. Section 290-1, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) The counties ~~may~~ shall cause vehicles that have been abandoned to be taken into custody ~~[and disposed of.]~~ within ten business days of abandonment. For the purposes of this subsection, a vehicle is "abandoned" if it is defined to be abandoned by an ordinance of the county in which the vehicle is located. In the absence of such an ordinance, a vehicle is "abandoned" if it is left unattended for a continuous period of more than twenty-four hours and it is unlawfully parked on any public highway or other public property or private lands defined as a setback, shoulder, easement, or right of way that is adjacent to or part of a public highway. The mayors of the several counties may designate an agency within their counties to carry out the functions and requirements of this section. ~~[The term]~~ For the purposes of this subsection, "agency" means any office, department, or other governmental unit of the county."

SECTION 3. Section 290-2, Hawaii Revised Statutes, is amended to read as follows:

"§290-2 **Notice to owner.** (a) Upon taking custody of any abandoned vehicle, a written notice shall immediately be sent by registered or certified mail to the legal and registered owner of the vehicle at the address on record at the

vehicle licensing division. The notice shall contain a brief description of the vehicle, the location of custody, and intended disposition of the vehicle if not repossessed within ten days after the mailing of the notice, or in the case where the address of the registered owner on record at the vehicle licensing division is an out-of-state address, within twenty business days after the mailing of the notice. A notice need not be sent to a legal or registered owner or any person with an unrecorded interest in the vehicle whose name or address cannot be determined. Absent evidence to the contrary, a notice shall be deemed received by the legal or registered owner five days after the mailing.

(b) The county agency designated by the mayor to carry out the functions and requirements of section 290-1 and this section shall adopt rules pursuant to chapter 91 regarding notification of vehicle owners.

~~(b)~~ (c) For purposes of this section, "business days" shall exclude Saturdays, Sundays, and state holidays."

SECTION 4. Section 290-3, Hawaii Revised Statutes, is amended to read as follows:

"§290-3 Public auction. If the vehicle is not repossessed within the time limits provided in section 290-2, the vehicle ~~shall~~ may be disposed of by public auction, through oral tenders, or by sealed bids, after public advertisement has been made once in a newspaper of general circulation; provided that the public auction shall not be held less than five days after the publication has been made. Where no bid is received, the vehicle may be either sold by negotiation, disposed of or sold as junk, or donated to any governmental agency."

SECTION 5. Section 290-8, Hawaii Revised Statutes, is amended to read as follows:

"§290-8 Derelict vehicle. A vehicle shall be deemed a derelict vehicle by the administrative head of the county agency designated to carry out section 290-1, or by the executive director or a representative of the executive director of the Hawaii public housing authority in the case of a vehicle that has been abandoned on property owned, managed, or administered by the authority, if ~~major parts have~~ a part has been removed or material damage to the vehicle has rendered the vehicle inoperable and one of the following conditions exists:

- (1) The vehicle is registered for the current registration period and the registered and legal owners no longer reside at the addresses on record with the county director of finance;
- (2) The vehicle has been registered for the current or previous registration period and the registered and legal owners disclaim ownership~~];~~, or a notice of transfer has been submitted by the registered and legal owners and recorded with the director of finance and the new owner has not transferred the title or registration into the new owner's name within thirty days of release;
- (3) The vehicle identification number and license plates have been removed so as to nullify efforts to locate or identify the current registered and legal owners;
- (4) The vehicle has not been registered for the ~~current or~~ previous ~~registration periods;~~ twelve month period; or
- (5) The vehicle registration records of the county director of finance contain no record that the vehicle has ever been registered in the county.

Prior to authorizing the removal of a derelict vehicle, the administrative head of the county agency designated to carry out section 290-1 or the executive director or a representative of the executive director of the Hawaii public housing authority in the case of vehicles that have been abandoned on property owned, managed, or operated by the authority, shall notify the county chief of police only if the vehicle is reported stolen or otherwise needed for police investigation.”

SECTION 6. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 7. This Act shall take effect upon its approval.

(Approved June 20, 2018.)

ACT 49

H.B. NO. 2651

A Bill for an Act Relating to Wireless Broadband Facilities.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that encouraging the development of a robust broadband network throughout the State is integral to Hawaii’s global economic competitiveness and a matter of statewide concern. This Act is essential to establishing the policy framework to foster the installation of a robust, reliable, and technologically advanced broadband infrastructure throughout the State.

SECTION 2. The Hawaii Revised Statutes is amended by adding a new chapter to title 13 to be appropriately designated and to read as follows:

“CHAPTER WIRELESS BROADBAND AND COMMUNICATIONS NETWORKS

§ -1 **Applicability.** (a) Subject to subsection (b), this chapter shall apply only to activities of a communications service provider to deploy small wireless facilities and to modified or replaced state or county utility poles associated with small wireless facilities.

Except as to the state or county permitting authority related to utility poles, this chapter shall not be construed to apply to:

- (1) Utility poles or other utility infrastructure solely owned by investor-owned utility companies;
- (2) Investor owned utility companies’ utility poles in which the State or county has an ownership interest;
- (3) Airport buildings; or
- (4) Buildings whose use is principally for public safety purposes.

(b) Notwithstanding any other provision to the contrary, small wireless facilities shall not interfere with public safety, law enforcement, or emergency communications. To the extent an interference is identified by the State, county, or a communications service provider, it shall be resolved pursuant to the applicable requirements and procedures of the Federal Communications Commission following written notification of an interference.

§ -2 **Definitions.** As used in this chapter:

“Antenna” means communications equipment that transmits or receives electromagnetic radio frequency signals used in the provision of services using small wireless facilities.

“Applicable codes” means uniform building, fire, electrical, plumbing, or mechanical codes adopted by a recognized national code organization or local amendments to those codes.

“Applicant” means any person who submits an application and is a communications service provider.

“Application” means a request submitted by an applicant to the State or county for a permit to collocate small wireless facilities or to approve the replacement or modification of a utility pole.

“Collocate” means to install, mount, maintain, modify, operate, or replace small wireless facilities on or immediately adjacent to a wireless support structure or utility pole. “Collocation” has a corresponding meaning.

“Communications service” means cable service, as defined in section 440G-3 or title 47 United States Code section 522(6), as amended; information service, as defined in title 47 United States Code section 153(24), as amended; telecommunications service, as defined in section 269-1 or title 47 United States Code section 153(53), as amended; mobile service, as defined in title 47 United States Code section 153(33), as amended; or wireless service other than mobile service.

“Communications service provider” means a cable operator, as defined in section 440G-3 or title 47 United States Code section 522(5); a provider of information service, as defined in title 47 United States Code section 153(24); a telecommunications carrier, as defined in section 269-1 or title 47 United States Code section 153(51); or a wireless provider.

“Decorative pole” means a state or county pole that is specially designed and placed for aesthetic purposes and on which no appurtenances or attachments, other than a wireless facility attachment, specially designed informational and directional signage, or temporary holiday or special event attachments, have been placed or are permitted to be placed according to nondiscriminatory state or county rules or codes.

“Feasible design and collocation standards” means reasonable, objective, and nondiscriminatory specifications concerning the physical structure, construction, location, and appearance of small wireless facilities; provided that those specifications facilitate the installation of the small wireless facilities and may be waived by the State or county.

“Historic district” means a group of buildings, properties, or sites that are either listed in the National Register of Historic Places or as determined by the state historic preservation program in accordance with chapter 6E.

“Micro wireless facilities” means a small wireless facility having a dimension no larger than twenty-four inches in height, fifteen inches in width, and twelve inches in depth; provided that the exterior antenna, if any, does not exceed eleven inches in length.

“Right of way” means the area on, below, or above a public roadway, highway, street, sidewalk, alley, utility easement, or similar property.

“Small wireless facilities” means a wireless facility or other facility providing communications service that meets one or both of the following qualifications:

- (1) Each communications service provider’s antenna can fit within an enclosure of no more than six cubic feet in volume; or
- (2) All other equipment associated with the communications service facility, whether ground- or pole-mounted, that is cumulatively no more than twenty-eight cubic feet in volume; provided that the fol-

lowing types of associated ancillary equipment shall not be included in the calculation of equipment volume: electric meter, concealment elements, telecommunications demarcation box, grounding equipment, power transfer switch, cut-off switch, and vertical cable runs for the connection of power and other services.

“State or county pole” means a utility pole, which may be managed or operated by, or on behalf of, the State or a county in the State.

“Technically feasible” means that by virtue of engineering or spectrum usage, the proposed placement for a small wireless facility, or its design or site location can be implemented without a reduction in the functionality of the wireless facility.

“Toll” means to stop or suspend the running of a time period.

“Utility pole” means a pole or similar structure that is or may be used in whole or in part by or for wireline communications, electric distribution, lighting, traffic control, signage, or a similar function, or for the collocation of small wireless facilities. “Utility pole” shall not include wireless support structures.

“Wireless facility” means equipment at a fixed location that enables wireless communications between user equipment and a communications network, including:

- (1) Equipment associated with wireless communications; and
- (2) Radio transceivers, antennas, coaxial or fiber-optic cable, regular and backup power supplies, and comparable equipment, regardless of technological configuration.

“Wireless facility” includes small wireless facilities but shall not include:

- (1) Wireline backhaul facilities; and
- (2) Coaxial or fiber-optic cable between utility poles or communications facilities that are otherwise not immediately adjacent to and directly associated with a particular antenna.

“Wireless provider” means an individual, corporation, company, association, trust, or other entity or organization who:

- (1) Provides services, including wireless broadband services, whether at a fixed location or mobile, to the public using wireless facilities; or
- (2) Builds or installs wireless communication transmission equipment or wireless facilities, including an individual authorized to provide telecommunications service in the State.

“Wireless support structure” means a structure, such as a monopole; tower, either guyed or self-supporting building; or other existing or proposed structure designed to support or capable of supporting broadband or small wireless facilities, other than a structure designed solely for the collocation of wireless facilities. “Wireless support structure” shall not include a utility pole.

“Wireline backhaul” means the transport of communications data or other electronic information by wire from wireless facilities to a communications network. Wireline backhaul shall not include wire connecting the wireless facility to the backhaul.

§ -3 General. Except as provided in this chapter, the State or any county shall not prohibit or regulate the deployment of small wireless facilities or any associated modified or replaced utility poles used for the collocation of small wireless facilities. The State or a county may charge for the attachment of small wireless facilities on solely-owned state or county utility poles used for the collation of small wireless facilities. Nothing in this chapter shall adversely impact the State’s fiscal funding.

§ -4 **Zoning.** Small wireless facilities and associated modified or replaced utility poles subject to the height limits in section -5(c), shall be classified as permitted uses and shall not be subject to zoning review or zoning approval if they are deployed:

- (1) In the right of way in any zone; or
- (2) Outside the right of way in property not zoned exclusively for conservation.

Nothing in this chapter shall be construed to modify existing permitting processes for the placement of wireline backhaul in the right of way.

§ -5 **Use of the right of way for small wireless facilities and utility poles.** (a) The State or county shall not enter into an exclusive arrangement with any person for use of the right of way for the construction, operation, marketing, or maintenance of small wireless facilities or for small wireless facilities collocation.

(b) Subject to this section, the construction or modification of small wireless facilities in the right of way shall be a permitted use not subject to zoning review or other discretionary approval; provided that such facilities shall be constructed and maintained so as not to obstruct the usual travel, public safety, on such right of way or obstruct the legal use of such right of way by utilities or authorized parties.

The State or county shall have the authority to condition the approval of an application upon compliance with pre-established nondiscriminatory feasible design and collocation standards on small wireless facilities to be installed on property solely owned by the State or county. As part of a feasible design and collocation standard, the State or county may require the communications service provider to pay the State or county for the electricity that is used by the small wireless facilities and to place an appropriately sized fuse on the small cell to control the amount of electricity used by the communications service provider. To the extent the State or county establishes feasible design and collocation standards, they shall be made available in published guidelines and apply ninety calendar days after their publication. Nothing in this section requires the State or county to establish feasible design and collocation standards.

Modified or replaced utility poles associated with a small wireless facility that meet the requirements of this section are permitted uses subject to the permitting process in section -6.

No additional discretionary permit shall be required to maintain, operate, modify, or replace small wireless facilities and associated utility poles along, across, upon, and under the right of way. The grant of a permit for a small wireless facility does not authorize the installation, placement, maintenance, or operation of any communications facility, including a wireline backhaul facility, other than a small wireless facility, in the right of way, and shall not otherwise be a general authorization to occupy and use the right of way.

(c) Each modified or replaced utility pole installed in the right of way for the collocation of small wireless facilities shall not exceed the greater of:

- (1) Ten feet in height above the tallest existing utility pole in place as of July 1, 2018, located within five hundred feet of the modified or replaced pole in the same right of way; or
- (2) Fifty feet above ground level.

New small wireless facilities in the right of way shall not extend more than ten feet above an existing utility pole in place as of July 1, 2018. Subject to this section and section -6, a communications service provider or wireless provider may modify, replace, and maintain a utility pole or small wireless facil-

ity that exceeds these height limits along, across, upon, and under the right of way, subject to applicable zoning regulations.

(d) A communications service provider may replace a decorative pole, when necessary to collocate a small wireless facility, if the replacement pole reasonably conforms to the design aesthetics of the decorative pole or poles being replaced.

(e) Subject to section -6, and except for facilities excluded from evaluation for effects on historic properties under title 47 Code of Federal Regulations section 1.1307(a)(4), a State or county may require reasonable, technically feasible, non-discriminatory, and technologically neutral design or concealment measures in a historic district. Any such design or concealment measures shall not have the effect of prohibiting any provider's technology, nor shall any such measures be considered a part of the small wireless facility for purposes of the size restrictions.

(f) The State or county shall:

(1) Be competitively neutral in the exercise of its administration and regulation related to the management of the right of way and with regard to other users of the right of way; and

(2) Not impose any conditions that are unreasonable or discriminatory.

(g) The State or county may require a communications service provider to repair all damage to the right of way directly caused by the activities of the communications service provider in the right of way and to return the right of way to the same or better condition before the damage pursuant to the competitively neutral, reasonable requirements and specifications of the State or county within thirty calendar days. If the communications service provider fails to make the repairs required by the State or county within thirty calendar days after written notice, the State or county may complete those repairs and charge the applicable party the reasonable, documented cost of the repairs.

§ -6 Permitting process in the right of way. The State or county may require an applicant to obtain one or more permits to collocate a small wireless facility or install a modified or replaced utility pole associated with a small wireless facility as provided in section -5; provided that the permits are of general applicability and do not apply exclusively to small wireless facilities. The State or county shall receive permit applications and process and issue permits subject to the following requirements:

(1) The applicant shall provide a geographical description of the project area, if required by the State or county;

(2) The applicant shall provide a listing and description of the condition of utility poles, light standards, buildings, and wireless support structures included in the project for the installation, mounting, operation, and placement of small wireless facilities, including an assessment of the identifying information, location, and ownership of the listed utility poles, light standards, buildings, and structures, if required by the State or county;

(3) The applicant shall provide a description of the equipment associated with the facilities to be installed in the project area, including radio transceivers, antennas, coaxial or fiber-optic cables, power supplies, and related equipment, and the size and weight of the equipment to be installed on each pole, building, or structure, if required by the State or county;

(4) The State or county shall not require, but may negotiate, an agreement with a communications service provider to provide in-kind contributions of goods or services in lieu of or in addition to any

rates, charges, terms, and conditions governing the installation of small wireless facilities on State- or county-owned property, such as an agreement to reserve fiber, conduit, or pole space for State or county use;

- (5) The State or county shall not require the placement of small wireless facilities on any specific utility pole or category of poles or require multiple antenna systems on a single utility pole;
- (6) The State or county shall not limit the placement of small wireless facilities by minimum separation distances; provided that the State or county may limit the number of small wireless facilities placed on a single utility pole;
- (7) The State or county may require an applicant to include an attestation that the small wireless facilities will be operational for use by a communications service provider within one year after the permit issuance date; provided that the State or county and the applicant may agree to extend this period or the period may be tolled if there is a delay caused by lack of commercial power or communications transport facilities to the site; provided further that the State or county may rescind a permit if the small wireless facility is not operational within one year or any agreed-to time beyond one year;
- (8) Within thirty calendar days of receiving an application, the State or county shall notify the applicant in writing whether the application is complete. If an application is incomplete, the State or county shall specifically identify all missing information in writing. The processing deadline in paragraph (9) shall be tolled from the date the State or county sends the notice of incompleteness until the date the applicant provides the missing information;
- (9) An application shall be processed on a nondiscriminatory basis and deemed approved if the State or county fails to approve or deny the application within ninety calendar days of receipt of the application. The processing deadline may be tolled in accordance with paragraph (8) or by agreement of the applicant and the State or county; provided that until December 31, 2019, if an applicant submits to the State or to the same county fifty or more applications within any thirty-calendar-day period to collocate small wireless facilities, then the State or county may, upon notice to the applicant, extend the period for reviewing the applications to one hundred and twenty calendar days;
- (10) The State or county may deny a proposed collocation of a small wireless facility or the modification of a modified or replaced utility pole that meets the requirements in section 5(c) only if the proposed collocation:
 - (A) Interferes with the safe operation of public safety equipment;
 - (B) Interferes with sight lines or clear zones for transportation or pedestrians;
 - (C) Interferes with compliance with the Americans with Disabilities Act or similar federal or state standards regarding pedestrian access or movement;
 - (D) Fails to comply with reasonable and nondiscriminatory spacing requirements of general application adopted by ordinance that concern the location of ground-mounted equipment. Such spacing requirements shall not prevent a small wireless facility from serving any location;
 - (E) Fails to comply with building or other applicable codes;

- (F) Causes the utility pole to be unable to bear the additional weight of the facilities, taking into account any state or county reservation of capacity authorized by this chapter; provided that a denial shall include a condition that the installation will be approved if the communications service provider agrees to replace, at its own cost, the utility pole with one that can bear the additional weight; or
 - (G) Causes the load-carrying capacity of the State- or county-owned utility pole, building, or structure, to exceed seventy per cent as determined by the appropriate state or county agency;
- (11) The State or county shall document the basis for a denial, including the specific provisions of law on which the denial was based, and send the documentation to the applicant on or before the day the State or county denies an application. The applicant may address the deficiencies identified by the State or county in its written denial and resubmit a revised application within thirty calendar days of the written notice of denial without paying an additional application fee. The State or county shall have ninety calendar days from the date of receipt of the revised application to approve or deny the application. Any subsequent review of additional revisions to a revised application shall be limited to the deficiencies cited in the documentation noting the basis for denial of the revised application; provided, however, that the State or a county may address deficiencies in the original or subsequent revised versions of the application that were missed in good faith and that were not documented in a written denial;
- (12) An applicant seeking to collocate multiple small wireless facilities within a three-mile radius may, at the applicant's discretion, file a consolidated application and receive a single permit for the collocation of no more than twenty-five small wireless facilities; provided that the denial of the collocation of one or more small wireless facilities in a consolidated application shall not delay processing of any other small wireless facilities in the same batch; provided further that within ten calendar days of receiving a permit for a consolidated application, the applicant shall publish notice of the permit in a newspaper of general circulation in the county where the small wireless facility is to be located; provided further that the notice shall include a phone number for the communications service provider that the public may contact;
- (13) Installation or collocation for which a permit is granted pursuant to this section shall be completed within one year of the permit issuance date; provided that the State or county and the applicant may agree to extend this period or the period may be tolled if a delay is caused by lack of commercial power or communications transport facilities to the site; provided further that the State or county may rescind a permit if the small wireless facility is not operational within one year or any agreed-to time beyond one year. Approval of an application authorizes the applicant to:
- (A) Undertake the installation or collocation; and
 - (B) Subject to applicable relocation requirements and the applicant's right to terminate at any time, operate and maintain the small wireless facilities and any associated utility pole covered by the permit for a period of not less than twenty years, which shall be renewed for equivalent durations so long as the facili-

ties and pole comply with the criteria set forth in this subsection; provided that the State or a county may remove a utility pole if it decides to do so;

- (14) The State or county shall not institute, either expressly or de facto, a moratorium on filing, receiving, or processing applications or issuing permits or other approvals, if any, for the collocation of small wireless facilities or the installation or modification of utility poles to support small wireless facilities; provided that this paragraph shall not be construed to apply to existing moratoria on applications to trench or excavate newly repaved streets;
- (15) The State or county shall not require an application or permit, or charge any rate, fees, or compensation for:
 - (A) Routine maintenance;
 - (B) Replacement of small wireless facilities with small wireless facilities that are substantially similar or the same size and weight or smaller; provided that the communications service provider shall notify the state or county department by which the small wireless facility was originally approved at least ten calendar days, but no more than sixty calendar days, prior to commencing the replacement; or
 - (C) Installation, placement, maintenance, operation, or replacement of micro wireless facilities that are strung on cables between utility poles, in compliance with the national electrical safety code.

§ -7 Access to state or county utility poles within the right of way.

(a) This section shall apply to activities of the communications service provider within the right of way. The State and counties shall permit the collocation of small wireless facilities on utility poles pursuant to the process set forth in section -6.

(b) A person owning, managing, or controlling state or county utility poles in the right of way shall not enter into an exclusive arrangement with any person for the right to attach to such poles.

(c) The rates to collocate on state or county poles shall be nondiscriminatory regardless of the communications services provided by the collocating person.

(d) The rates, fees, and terms and conditions for the make-ready work to collocate on the state or county pole shall be nondiscriminatory, competitively neutral, and commercially reasonable and shall comply with this chapter.

(e) The State or county shall provide a good faith estimate for any make-ready work to be performed by a communications service provider and that is necessary to enable the pole to support the requested collocation by a communications service provider, including pole replacement if necessary, within sixty calendar days after receipt of a complete application. Make-ready work, including any pole replacement, shall be completed by the State or county or the communications service provider within one hundred and twenty calendar days of written acceptance of the good faith estimate by the applicant. The State or county shall have the discretion to designate whether it or the communications service provider will perform the make-ready work.

(f) The person owning, managing, or controlling the state or county pole shall not require more make-ready work than required to meet applicable codes or industry standards. Fees for make-ready work, including any pole replacement, shall not exceed actual costs or the amount charged to other commu-

nications service providers for similar work and shall not include any consultant fees or expenses.

§ -8 Local authority. (a) Subject to this chapter and applicable federal law, the State or county may continue to exercise zoning, land use, planning, and permitting authority within its jurisdictional boundaries, including with respect to utility poles; except that neither the State nor a county shall have or exercise any jurisdiction or authority over the design, engineering, construction, installation, or operation of any small wireless facility located in an interior structure or upon the site of any campus, stadium, or athletic facility not owned or controlled by the State or county, other than to comply with applicable codes. Nothing in this chapter authorizes the State or a county to require wireless facility deployment or to regulate broadband or wireless services.

(b) Except as provided in this chapter with respect to the wireless facilities subject to the permitting, rate, and fee requirements established herein, the State and each county shall not adopt or enforce any regulations or requirements or charge additional rates or fees on an entity's placement or operation of communications facilities in the right of way where the entity is already authorized by a cable television franchise to operate throughout the right of way. The State and each county shall not regulate or charge fees for the provision of additional communications services over a cable system authorized under such franchise, unless expressly authorized by applicable law.

§ -9 Implementation. No later than July 1, 2019, the State and each county shall adopt or modify laws, regulations, and agreements for lands within its jurisdiction that make available rates, fees, and other terms that comply with this chapter to communications service providers. In the absence of laws, regulations, and agreements that fully comply with this chapter and until such laws, regulations, or agreements are adopted, communications service providers may install and operate small wireless facilities and utility poles pursuant to this chapter.

§ -10 Indemnification, insurance, and bonding. (a) The State or county may adopt indemnification, insurance, and bonding requirements related to small wireless facility permits subject to this section.

(b) The State or county may require a communications service provider to indemnify and hold the State or county and its officers and employees harmless against any claims, lawsuits, judgments, costs, liens, losses, expenses, or fees resulting from the communications service provider's actions in installing, repairing, operating, or maintaining any small wireless facilities or utility poles.

(c) The State or county may require a communications service provider to have in effect insurance coverage consistent with this subsection and requirements for other right of way users, if such requirements are reasonable and nondiscriminatory. If insurance coverage is required, the State or county may require a communications service provider to furnish proof of insurance prior to the effective date of any permit issued for a small wireless facility.

(d) The State or county may adopt bonding requirements for small wireless facilities if the State or county imposes similar requirements in connection with permits issued for other right of way users.

The purpose of such bonds shall be to:

- (1) Provide for the removal of abandoned or improperly maintained small wireless facilities, including those for which the State or county determines a need for the small wireless facilities to be removed to protect public health, safety, or welfare;

- (2) Restoration of the right of way; or
- (3) Recoupment of past due rates or fees that have not been paid by a communications service provider in over twelve months; provided that the communications service provider has received reasonable notice from the State or county of the non-compliance listed and an opportunity to cure the delinquency of the rates or fees.

Bonding requirements shall not exceed \$200 per small wireless facility.

SECTION 3. Section 205-2, Hawaii Revised Statutes, is amended by amending subsection (c) to read as follows:

“(c) Rural districts shall include activities or uses as characterized by low density residential lots of not more than one dwelling house per one-half acre, except as provided by county ordinance pursuant to section 46-4(c), in areas where “city-like” concentration of people, structures, streets, and urban level of services are absent, and where small farms are intermixed with low density residential lots except that within a subdivision, as defined in section 484-1, the commission for good cause may allow one lot of less than one-half acre, but not less than eighteen thousand five hundred square feet, or an equivalent residential density, within a rural subdivision and permit the construction of one dwelling on such lot; provided that all other dwellings in the subdivision shall have a minimum lot size of one-half acre or 21,780 square feet. Such petition for variance may be processed under the special permit procedure. These districts may include contiguous areas which are not suited to low density residential lots or small farms by reason of topography, soils, and other related characteristics. Rural districts shall also include golf courses, golf driving ranges, and golf-related facilities.

In addition to the uses listed in this subsection, rural districts shall include geothermal resources exploration and geothermal resources development, as defined under section 182-1, and construction and operation of wireless communication antenna, as defined under section 205-4.5(a)(18), as permissible uses.”

SECTION 4. Section 205-4.5, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

“(a) Within the agricultural district, all lands with soil classified by the land study bureau’s detailed land classification as overall (master) productivity rating class A or B and for solar energy facilities, class B or C, shall be restricted to the following permitted uses:

- (1) Cultivation of crops, including crops for bioenergy, flowers, vegetables, foliage, fruits, forage, and timber;
- (2) Game and fish propagation;
- (3) Raising of livestock, including poultry, bees, fish, or other animal or aquatic life that are propagated for economic or personal use;
- (4) Farm dwellings, employee housing, farm buildings, or activities or uses related to farming and animal husbandry. “Farm dwelling”, as used in this paragraph, means a single-family dwelling located on and used in connection with a farm, including clusters of single-family farm dwellings permitted within agricultural parks developed by the State, or where agricultural activity provides income to the family occupying the dwelling;
- (5) Public institutions and buildings that are necessary for agricultural practices;
- (6) Public and private open area types of recreational uses, including day camps, picnic grounds, parks, and riding stables, but not includ-

- ing dragstrips, airports, drive-in theaters, golf courses, golf driving ranges, country clubs, and overnight camps;
- (7) Public, private, and quasi-public utility lines and roadways, transformer stations, communications equipment buildings, solid waste transfer stations, major water storage tanks, and appurtenant small buildings such as booster pumping stations, but not including offices or yards for equipment, material, vehicle storage, repair or maintenance, treatment plants, corporation yards, or other similar structures;
 - (8) Retention, restoration, rehabilitation, or improvement of buildings or sites of historic or scenic interest;
 - (9) Agricultural-based commercial operations as described in section 205-2(d)(15);
 - (10) Buildings and uses, including mills, storage, and processing facilities, maintenance facilities, photovoltaic, biogas, and other small-scale renewable energy systems producing energy solely for use in the agricultural activities of the fee or leasehold owner of the property, and vehicle and equipment storage areas that are normally considered directly accessory to the above-mentioned uses and are permitted under section 205-2(d);
 - (11) Agricultural parks;
 - (12) Plantation community subdivisions, which as used in this chapter means an established subdivision or cluster of employee housing, community buildings, and agricultural support buildings on land currently or formerly owned, leased, or operated by a sugar or pineapple plantation; provided that the existing structures may be used or rehabilitated for use, and new employee housing and agricultural support buildings may be allowed on land within the subdivision as follows:
 - (A) The employee housing is occupied by employees or former employees of the plantation who have a property interest in the land;
 - (B) The employee housing units not owned by their occupants shall be rented or leased at affordable rates for agricultural workers; or
 - (C) The agricultural support buildings shall be rented or leased to agricultural business operators or agricultural support services;
 - (13) Agricultural tourism conducted on a working farm, or a farming operation as defined in section 165-2, for the enjoyment, education, or involvement of visitors; provided that the agricultural tourism activity is accessory and secondary to the principal agricultural use and does not interfere with surrounding farm operations; and provided further that this paragraph shall apply only to a county that has adopted ordinances regulating agricultural tourism under section 205-5;
 - (14) Agricultural tourism activities, including overnight accommodations of twenty-one days or less, for any one stay within a county; provided that this paragraph shall apply only to a county that includes at least three islands and has adopted ordinances regulating agricultural tourism activities pursuant to section 205-5; provided further that the agricultural tourism activities coexist with a bona fide agricultural activity. For the purposes of this paragraph, "bona

fide agricultural activity” means a farming operation as defined in section 165-2;

- (15) Wind energy facilities, including the appurtenances associated with the production and transmission of wind generated energy; provided that the wind energy facilities and appurtenances are compatible with agriculture uses and cause minimal adverse impact on agricultural land;
- (16) Biofuel processing facilities, including the appurtenances associated with the production and refining of biofuels that is normally considered directly accessory and secondary to the growing of the energy feedstock; provided that biofuel processing facilities and appurtenances do not adversely impact agricultural land and other agricultural uses in the vicinity.

For the purposes of this paragraph:

“Appurtenances” means operational infrastructure of the appropriate type and scale for economic commercial storage and distribution, and other similar handling of feedstock, fuels, and other products of biofuel processing facilities.

“Biofuel processing facility” means a facility that produces liquid or gaseous fuels from organic sources such as biomass crops, agricultural residues, and oil crops, including palm, canola, soybean, and waste cooking oils; grease; food wastes; and animal residues and wastes that can be used to generate energy;

- (17) Agricultural-energy facilities, including appurtenances necessary for an agricultural-energy enterprise; provided that the primary activity of the agricultural-energy enterprise is agricultural activity. To be considered the primary activity of an agricultural-energy enterprise, the total acreage devoted to agricultural activity shall be not less than ninety per cent of the total acreage of the agricultural-energy enterprise. The agricultural-energy facility shall be limited to lands owned, leased, licensed, or operated by the entity conducting the agricultural activity.

As used in this paragraph:

“Agricultural activity” means any activity described in paragraphs (1) to (3) of this subsection.

“Agricultural-energy enterprise” means an enterprise that integrally incorporates an agricultural activity with an agricultural-energy facility.

“Agricultural-energy facility” means a facility that generates, stores, or distributes renewable energy as defined in section 269-91 or renewable fuel including electrical or thermal energy or liquid or gaseous fuels from products of agricultural activities from agricultural lands located in the State.

“Appurtenances” means operational infrastructure of the appropriate type and scale for the economic commercial generation, storage, distribution, and other similar handling of energy, including equipment, feedstock, fuels, and other products of agricultural-energy facilities;

- (18) Construction and operation of wireless communication antennas[;], including small wireless facilities; provided that, for the purposes of this paragraph, “wireless communication antenna” means communications equipment that is either freestanding or placed upon or attached to an already existing structure and that transmits and receives electromagnetic radio signals used in the provision of all

types of wireless communications services; provided further that “small wireless facilities” shall have the same meaning as in section 182-2; provided further that nothing in this paragraph shall be construed to permit the construction of any new structure that is not deemed a permitted use under this subsection;

- (19) Agricultural education programs conducted on a farming operation as defined in section 165-2, for the education and participation of the general public; provided that the agricultural education programs are accessory and secondary to the principal agricultural use of the parcels or lots on which the agricultural education programs are to occur and do not interfere with surrounding farm operations. For the purposes of this paragraph, “agricultural education programs” means activities or events designed to promote knowledge and understanding of agricultural activities and practices conducted on a farming operation as defined in section 165-2;
- (20) Solar energy facilities that do not occupy more than ten per cent of the acreage of the parcel, or twenty acres of land, whichever is lesser or for which a special use permit is granted pursuant to section 205-6; provided that this use shall not be permitted on lands with soil classified by the land study bureau’s detailed land classification as overall (master) productivity rating class A unless the solar energy facilities are:
- (A) Located on a paved or unpaved road in existence as of December 31, 2013, and the parcel of land upon which the paved or unpaved road is located has a valid county agriculture tax dedication status or a valid agricultural conservation easement;
 - (B) Placed in a manner that still allows vehicular traffic to use the road; and
 - (C) Granted a special use permit by the commission pursuant to section 205-6;
- (21) Solar energy facilities on lands with soil classified by the land study bureau’s detailed land classification as overall (master) productivity rating B or C for which a special use permit is granted pursuant to section 205-6; provided that:
- (A) The area occupied by the solar energy facilities is also made available for compatible agricultural activities at a lease rate that is at least fifty per cent below the fair market rent for comparable properties;
 - (B) Proof of financial security to decommission the facility is provided to the satisfaction of the appropriate county planning commission prior to date of commencement of commercial generation; and
 - (C) Solar energy facilities shall be decommissioned at the owner’s expense according to the following requirements:
 - (i) Removal of all equipment related to the solar energy facility within twelve months of the conclusion of operation or useful life; and
 - (ii) Restoration of the disturbed earth to substantially the same physical condition as existed prior to the development of the solar energy facility.
- For the purposes of this paragraph, “agricultural activities” means the activities described in paragraphs (1) to (3);
- (22) Geothermal resources exploration and geothermal resources development, as defined under section 182-1; or

- (23) Hydroelectric facilities, including the appurtenances associated with the production and transmission of hydroelectric energy, subject to section 205-2; provided that the hydroelectric facilities and their appurtenances:
 - (A) Shall consist of a small hydropower facility as defined by the United States Department of Energy, including:
 - (i) Impoundment facilities using a dam to store water in a reservoir;
 - (ii) A diversion or run-of-river facility that channels a portion of a river through a canal or channel; and
 - (iii) Pumped storage facilities that store energy by pumping water uphill to a reservoir at higher elevation from a reservoir at a lower elevation to be released to turn a turbine to generate electricity;
 - (B) Comply with the state water code, chapter 174C;
 - (C) Shall, if over five hundred kilowatts in hydroelectric generating capacity, have the approval of the commission on water resource management, including a new instream flow standard established for any new hydroelectric facility; and
 - (D) Do not impact or impede the use of agricultural land or the availability of surface or ground water for all uses on all parcels that are served by the ground water sources or streams for which hydroelectric facilities are considered.”

SECTION 5. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 6. This Act shall take effect on July 1, 2018; provided that:

- (1) The amendment made to section 205-4.5, Hawaii Revised Statutes, by this Act shall not be repealed when section 205-4.5, Hawaii Revised Statutes, is reenacted on June 30, 2019, by section 3 of Act 52, Session Laws of Hawaii 2014; and
- (2) This Act shall apply to permit applications filed with the State or county after December 31, 2018.

(Approved June 21, 2018.)

ACT 50

H.B. NO. 2352

A Bill for an Act Relating to the Hawaii Teacher Standards Board.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 302A-801, Hawaii Revised Statutes, is amended by amending subsections (a) and (b) to read as follows:

“(a) There is established the Hawaii teacher standards board, which shall be placed within the department for administrative purposes only. The board shall consist of ~~[fifteen]~~ seventeen members, including not less than six licensed teachers regularly engaged in teaching at the time of the appointment, three educational officers employed at the time of the appointment, the chairperson of the board of education or the chairperson’s designee, the superintendent or the superintendent’s designee, a representative of independent schools, the dean of the University of Hawaii college of education or the dean’s designee~~;~~, and the chairperson of the Native Hawaiian Education Council or the chairper-

son's designee; provided that one teacher member shall be engaged in teaching at a Hawaii public charter school at the time of appointment and the dean's designee shall be chosen from the member institutions of the teacher education coordinating committee established under section 304A-1202, and two members of the public. A non-voting teacher candidate from a Hawaii educator preparation program at a public institution of higher education on a rotating basis shall be appointed by the chairperson of the teacher education coordinating committee to serve a one-year term.

(b) Except for the chairperson of the board of education, superintendent, ~~and~~ dean of the college of education, the chairperson of the Native Hawaiian Education Council, and the teacher candidate member, the governor shall appoint the members of the board pursuant to section 26-34, from a list of qualified nominees submitted to the governor by the departments, agencies, education stakeholder groups, and organizations representative of the constituencies of the board; provided that the governor may request additional names of qualified nominees from the departments, agencies, education stakeholder groups, and organizations representative of the constituencies of the board at any time. To the extent possible, the board membership shall reflect a combination of abilities, breadth of experiences, and characteristics that will best serve the diverse interests and needs of elementary and secondary school personnel and the education system in Hawaii from early childhood through higher education. Such considerations shall include but not be limited to reflecting the diversity of the student population, geographical representation, and a broad representation of education-related stakeholders."

SECTION 2. Section 302A-805, Hawaii Revised Statutes, is amended to read as follows:

“§302A-805 Teachers; license required; renewals. ~~[Beginning July 1, 2002, all new licenses shall be issued by the board.]~~ No person shall serve as a half-time or full-time teacher in a public school without first having obtained a license or permit from the board under this subpart. All licenses and permits issued by the board shall be valid only for the fields specified on the licenses and permits and shall be renewable every five years for a standard license and every ten years for an advanced license if the individual continues to:

- (1) Satisfy the board's licensing and permit standards and submits verification, in a form specified by the board, that the individual has completed activities specified by the board in fulfillment of each of the teacher performance standards established by the board;
- (2) Show evidence of successful teaching in the previous five years through verification by a supervisor, in a form specified by the board;
- (3) Meet the professional fitness requirements established by the board;
- (4) Satisfy the board's requirements for renewal of licenses~~;~~ and permits; and
- (5) Pay all applicable license and permit fees in a timely manner.

The board shall randomly audit a licensee's or permit holder's compliance with paragraph (1) and may establish rules, pursuant to chapter 91, for the random audits.

No person shall be issued a license or permit, or teach on an emergency basis in the public schools without having first paid the fees established by the board in accordance with chapter 91.

The failure to timely renew a license~~;~~ or permit, pay all fees in a timely manner, or comply with any other requirement provided by law or administra-

tive rule shall result in the automatic forfeiture of the license[~~;~~] or permit. A person with a forfeited license or permit shall not teach at a public school until that person's license or permit is restored. Restoration of a license or permit shall require compliance with the renewal requirements provided by law or administrative rule and payment of all applicable renewal and late fees. Upon restoration of a person's license[~~;~~] or permit, the person may teach at a public school."

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect on July 1, 2018.

(Approved June 21, 2018.)

ACT 51

H.B. NO. 2607

A Bill for an Act Relating to Education.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that the importance of computer science cannot be overstated. For example, fifty per cent of Americans rank computer science as one of the most important subjects of study, after reading and writing, and seventy-five per cent of Americans believe computer science is cool.

The legislature further finds that computing-based occupations make up more than two-thirds of all projected new jobs in the science, technology, engineering, and mathematics fields, commonly known as STEM fields. This means that college graduates with computer science degrees are in high demand among employers across the nation. Students who learn computer science in high school are six times more likely to major in it in college, and women who learn computer science in high school are ten times more likely to major in it in college.

The legislature also finds that recent survey and research results show a disparity between the demand for computer science education and its availability. Although sixty-seven per cent of parents and fifty-six per cent of teachers believe students should be required to learn computer science, and ninety per cent of parents want their children's schools to teach computer science, only forty per cent of schools offer these courses. Further, although seventy-one per cent of new STEM jobs are in computing, only eight per cent of STEM graduates hold degrees in computer science.

The legislature concludes that there are similar disparities at the State level, where computer science has the potential to drive job growth and innovation throughout the economy. As of December 2016, there were 1,343 open computing jobs in Hawaii, and the average salary for these computing jobs was \$78,414, which is much higher than the state average salary of \$47,740. However, only one hundred fifty-five Hawaii students graduated with a computer science degree in 2014, and only fourteen schools in Hawaii offered the advanced placement computer science course in 2015-2016. The legislature finds that promoting computer science education is a matter of statewide concern.

The purpose of this Act is to promote computer science education in the State by:

- (1) Requiring the department of education to:
 - (A) Develop and implement a statewide computer science curricula plan for public school students in kindergarten through

twelfth grade that may include design thinking as part of the curricula; and

- (B) Beginning with the 2021-2022 school year, ensure that each public high school offers at least one computer science course during each school year; and
- (2) Authorizing the department of education to enter into a contract or agreement with other entities to develop and implement computer science teacher development programs.

SECTION 2. Chapter 302A, Hawaii Revised Statutes, is amended by adding two new sections to be appropriately designated and to read as follows:

“§302A- Computer science; curricula plan; public schools. The department shall:

- (1) Develop and implement a statewide computer science curricula plan for public school students in kindergarten through twelfth grade that may include design thinking as part of the curricula; and
- (2) Beginning with the 2021–2022 school year, ensure that each public high school offers at least one computer science course during each school year.

§302A- Computer science teacher development programs. (a) The department may enter into a contract or agreement with one or more entities to develop and implement computer science teacher development programs; provided that an entity shall be:

- (1) An educational agency, including a charter educational agency, or a consortia of educational agencies in the State;
 - (2) An institution of higher education located in the State; or
 - (3) A nationally recognized provider of effective computer science professional development.
- (b) An entity that intends to enter into a contract or agreement with the department pursuant to this section shall first submit a proposal to the department that, at minimum, shall address how the entity plans to:
- (1) Instruct teachers with varying levels of knowledge and experience in computer science;
 - (2) Provide teachers with experience in hands-on, inquiry-based practices;
 - (3) Utilize effective practices for professional development;
 - (4) Emphasize the conceptual foundations of computer science;
 - (5) Instruct teachers how to effectively teach students in computer science, including students from demographic groups that are historically underrepresented in computer science careers;
 - (6) Adapt its instruction to accommodate the particular needs of teachers in different schools and districts; and
 - (7) Meet other requirements established by the department.”

SECTION 3. There is appropriated out of the general revenues of the State of Hawaii the sum of \$500,000 or so much thereof as may be necessary for fiscal year 2018-2019 to the department of education to develop a computer science curricula plan, offer computer science classes, and contract for teacher development programs pursuant to section 2 of this Act.

The sum appropriated shall be expended by the department of education for the purposes of this Act.

ACT 52

SECTION 4. Any unexpended and unencumbered balance of the appropriation made in this Act as of the close of business on June 30, 2019, shall lapse.

SECTION 5. New statutory material is underscored.¹

SECTION 6. This Act shall take effect on July 1, 2018.

(Approved June 21, 2018.)

Note

1. Edited pursuant to HRS §23G-16.5.

ACT 52

H.B. NO. 2697

A Bill for an Act Relating to Veterans.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 363-3, Hawaii Revised Statutes, is amended to read as follows:

“§363-3 Activities of the office. Except as otherwise provided by law, the office shall:

- (1) Maintain or cause to be maintained, subject to the control and supervision of the office, a center to which veterans, including their families and dependents, may come for information, counsel, aid, and assistance, and by which they may be directed or referred to any agency in the community whose function it is, by law or otherwise, to provide the services, assistance, or benefits which in each instance appear necessary or appropriate. Agencies to which any referrals may be made shall include, but are not limited to, departments and divisions of the federal and state governments, veterans' organizations, and so-called "private" social agencies;
- (2) Assume the initiative, in cooperation with agencies in the community, for coordinating all services now available, and which hereafter may become available, for the use and benefit of veterans, including their families and dependents, to the end that maximum effectiveness of the services may be realized, and overlapping and duplication of effort as between agencies may be minimized;
- (3) Assemble, analyze, compile, and disseminate factual, up-to-date information with respect to:
 - (A) Benefits, rights, and services of whatever nature to which veterans, including their families and dependents, are entitled, or which may be available to them; and
 - (B) The structure, functions, area of service, and other pertinent information regarding each agency and organization participating in the veterans' assistance program in the State;
- (4) Cooperate with federal departments and other agencies which, by law, have responsibility for the administration of rights and benefits granted by the federal government to veterans, including their families and dependents;
- (5) As soon as possible after the close of each fiscal year, compile and submit to the governor, for such use or distribution as the governor

- may deem appropriate, a comprehensive report of the activities and operations of the office, and of all disbursements and expenditures authorized by the office under this section; ~~and~~
- (6) Inspect every three years all state war memorials and veterans' cemeteries for repair and maintenance deficiencies, and report all repair and maintenance problems at these memorials and cemeteries to the adjutant general, the comptroller, and the legislature prior to the start of the next regular session~~[-]; and~~
- (7) Organize, coordinate, and conduct a biennial Hawaii veterans summit. The summit shall assemble any department or division of the federal or state government, veterans' organizations, or any other entity in the community whose function is, by law or otherwise, to provide services, assistance, or benefits to assist veterans and their families and dependents, to discuss and collaborate on issues affecting veterans and their families and dependents. The issues to be addressed shall include benefits, rights, and services available to veterans, and any other pertinent information on assistance for veterans and their families and dependents."

SECTION 2. There is appropriated out of the general revenues of the State of Hawaii the sum of \$400,000 or so much thereof as may be necessary for fiscal year 2018-2019 for the office of veterans' services to conduct a biennial Hawaii veterans summit.

The sum appropriated shall be expended by the office of veterans' services for the purposes of this Act.

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect on July 1, 2018.

(Approved June 22, 2018.)

ACT 53

H.B. NO. 1900

A Bill for an Act Relating to the State Budget.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. This Act shall be known and may be cited as the Supplemental Appropriations Act of 2018.

SECTION 2. This Act amends Act 49, Session Laws of Hawaii 2017, and other appropriations and authorizations effective during fiscal biennium 2017-2019.

SECTION 3. Part II, Act 49, Session Laws of Hawaii 2017, is amended by amending section 3 to read as follows:

"SECTION 3. APPROPRIATIONS. The following sums, or so much thereof as may be sufficient to accomplish the purposes and programs designated herein, are hereby appropriated or authorized, as the case may be, from the means of financing specified to the expending agencies designated for the fiscal biennium beginning July 1, 2017¹ and ending June 30, 2019. The total ex-

penditures and the number of positions in each fiscal year of the biennium shall not exceed the sums and the number² indicated for each fiscal year, except as provided elsewhere in this Act,³ or as provided by general law.

PROGRAM APPROPRIATIONS

ITEM NO.	PROG. ID	PROGRAM	EXPENDING AGENCY	APPROPRIATIONS	
				FISCAL YEAR 2017-2018	FISCAL YEAR 2018-2019
"A. ECONOMIC DEVELOPMENT					
1.	BED100	- STRATEGIC MARKETING AND SUPPORT		10.00*	10.00*
	OPERATING			#	1.00#
			BED	1,417,966A	2,525,466A
			BED	1,821,915W	1,821,915W
			BED	700,000P	700,000P
2.	BED105	- CREATIVE INDUSTRIES DIVISION		11.00*	11.00*
	OPERATING				
			BED	1,777,374A	1,527,374A
			BED	30,000B	30,000B
			BED	200,000P	400,000P
3.	BED107	- FOREIGN TRADE ZONE		17.00*	17.00*
	OPERATING				
			BED	2,278,556B	2,278,556B
4.	BED142	- GENERAL SUPPORT FOR ECONOMIC DEVELOPMENT		26.00*	26.00*
	OPERATING			1.00#	1.00#
			BED	2,474,222A	2,223,222A
5.	BED113	- TOURISM		5.00*	3.00*
	OPERATING			27.00#	29.00#
			BED	141,369,295B	141,369,295B
6.	AGR101	- FINANCIAL ASSISTANCE FOR AGRICULTURE		9.00*	9.00*
	OPERATING				
			AGR	1,500,000A	A
				9.00*	9.00*
			AGR	1,340,775B	1,750,775B
			AGR	5,500,000W	5,500,000W
7.	AGR122	- PLANT PEST AND DISEASE CONTROL		79.00*	78.00*
	OPERATING				
			AGR	5,632,729A	5,563,189A
				42.00*	42.00*
			AGR	8,547,402B	8,347,402B
			AGR	2,500N	0N
			AGR	512,962T	512,962T
			AGR	212,095U	212,095U
			AGR	50,360W	50,360W
				5.00#	5.00#
			AGR	673,089P	675,589P
	INVESTMENT CAPITAL				
			AGR	608,000C	C
			AGS	C	180,000C
8.	AGR131	- RABIES QUARANTINE		36.32*	36.32*
	OPERATING			1.25#	1.25#
			AGR	4,153,574B	4,003,574B
	INVESTMENT CAPITAL				
			AGS	C	101,000C

PROGRAM APPROPRIATIONS

ITEM NO.	PROG. ID	PROGRAM	EXPENDING AGENCY	APPROPRIATIONS	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
9.	AGR132	- ANIMAL DISEASE CONTROL			
	OPERATING		AGR	21.68* 1,508,333 A	21.68* 1,508,333 A
				5.00* 281,052 B	4.00* 196,952 B
			AGR	3.00# 412,057 P	3.00# 438,438 P
	INVESTMENT CAPITAL		AGS	C 500,000 C	500,000 C
10.	LNR172	- FORESTRY - RESOURCE MANAGEMENT AND DEVELOPMENT			
	OPERATING		LNR	19.50* 9.00# 3,682,786 A	27.00* 8.00# 3,752,201 A
			LNR	2,455,475 B 1.50* 1.00#	2,725,475 B 1.00* 1.00#
	INVESTMENT CAPITAL		LNR	8,907,237 P 1,100,000 C	558,374 P 1,700,000 C
11.	AGR151	- QUALITY AND PRICE ASSURANCE			
	OPERATING		AGR	19.00* 1,640,793 A	20.00* 1,614,659 A
				3.00* 421,307 B	3.00* 421,307 B
			AGR	300,000 T 10.00#	300,000 T 10.00#
			AGR	567,020 W 138,624 P	567,020 W 138,624 P
12.	AGR171	- AGRICULTURAL DEVELOPMENT AND MARKETING			
	OPERATING		AGR	13.00* 1,645,774 A	13.00* 1,845,774 A
			AGR	920,000 B 257,003 N	420,000 B 1,007,003 N
			AGR	P 220,000 P	220,000 P
13.	AGR141	- AGRICULTURAL RESOURCE MANAGEMENT			
	OPERATING		AGR	5.00* 374,708 A	7.00* 574,708 A
				24.50* 2,602,535 B	24.50* 2,602,535 B
	INVESTMENT CAPITAL		AGR	7.50* 1,255,986 W 2,750,000 C	7.50* 1,255,986 W 9,000,000 C
14.	AGR161	- AGRIBUSINESS DEVELOPMENT AND RESEARCH			
	OPERATING		AGR	# 250,601 A	2.00# 950,293 A
			AGR	500,000 B 12.00#	500,000 B 12.00#
	INVESTMENT CAPITAL		AGR	4,070,594 W 30,452,000 C	4,070,594 W 12,300,000 C
15.	AGR192	- GENERAL ADMINISTRATION FOR AGRICULTURE			
	OPERATING		AGR	24.00* 2,201,760 A	26.00* 2,409,770 A
	INVESTMENT CAPITAL		AGR	6.00* 1,228,096 B 300,000 B	6.00* 1,228,096 B B
			AGR	2,900,000 C	C
			AGS	208,000 C	C

PROGRAM APPROPRIATIONS

ITEM NO.	PROG. ID	PROGRAM	EXPENDING AGENCY	APPROPRIATIONS	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
16.	LNR153 - FISHERIES MANAGEMENT				
	OPERATING		LNR	9.00* 813,472 A 2.00*	9.00* 813,472 A 2.00*
			LNR	368,306 B	368,306 B
			LNR	420,000 N 2.00*	420,000 N 2.00*
			LNR	1.00#	1.00#
			LNR	421,762 P	261,762 P
17.	AGR153 - AQUACULTURE DEVELOPMENT				
	OPERATING		AGR	3.00* 1.00#	4.00* 0.00#
			AGR	312,913 A	312,913 A
			AGR	125,000 B	125,000 B
18.	BED120 - HAWAII STATE ENERGY OFFICE				
	OPERATING		BED	A 5.00* 28.00#	150,000 A 5.00* 28.00#
			BED	68,039,247 B	18,039,247 B
			BED	T	240,000 T
19.	BED143 - HIGH TECHNOLOGY DEVELOPMENT CORPORATION				
	OPERATING		BED	1.50* 3.75# 4,085,439 A 1.50* 6.25#	1.50* 3.75# 2,585,439 A 1.50* 6.25#
			BED	3,858,345 B	3,898,345 B
			BED	R	1,500,000 R
			BED	1,500,000 W	1,500,000 W
			BED	9.00#	9.00#
	INVESTMENT CAPITAL		BED	964,713 P	964,713 P
			BED	900,000 C	6,500,000 C
20.	BED145 - HAWAII STRATEGIC DEVELOPMENT CORPORATION				
	OPERATING		BED	2,608,516 B 2.00#	2,608,516 B 1.00#
			BED	4,321,301 W	4,201,333 W
21.	BED146 - NATURAL ENERGY LABORATORY OF HAWAII AUTHORITY				
	OPERATING		BED	A 22.00# 7,814,459 B	675,000 A 22.00# 7,814,459 B
	INVESTMENT CAPITAL		BED	C	750,000 C
			BED	D	4,900,000 D
22.	BED138 - HAWAII GREEN INFRASTRUCTURE AUTHORITY				
	OPERATING		BED	5.00# 1,000,000 B	5.00# 51,000,000 B
23.	LNR141 - WATER AND LAND DEVELOPMENT				
	OPERATING		LNR	24.00* 2,169,355 A 4.00*	24.00* 2,619,355 A 4.00*
			LNR	772,550 B	772,550 B
			LNR	197,827 T	197,827 T
	INVESTMENT CAPITAL		LNR	8,000,000 C	8,800,000 C

PROGRAM APPROPRIATIONS

ITEM NO.	PROG. ID	PROGRAM	EXPENDING AGENCY	APPROPRIATIONS	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
24.	BED150 - HAWAII COMMUNITY DEVELOPMENT AUTHORITY				
	OPERATING		BED	19.00* 846,000A 2.00* 2.00#	* 70,000A 21.00* 2.00#
	INVESTMENT CAPITAL		BED BED	1,373,358W 3,000,000C	2,823,358W 500,000C
25.	BED160 - HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION				
	OPERATING		BED BED	600,000A 3,100,000N 31.00* 42.00#	A 3,100,000N 29.00* 41.00#
	INVESTMENT CAPITAL		BED BED BED	11,147,761W 3,000,000P 54,200,000C	10,930,425W 3,000,000P 2,650,000C
26.	BED128 - OFFICE OF AEROSPACE				
	OPERATING		BED BED	1.00# 1,291,759A B	1.00# 1,141,759A 500,000B
B. EMPLOYMENT					
1.	LBR111 - WORKFORCE DEVELOPMENT				
	OPERATING		LBR	1.20* 1,055,449A 11.00# LBR 5,940,010B 29.80* 12.00# LBR 7,988,415N 20.00* LBR 2,000,000S 12.00* 20.00# LBR 2,883,182U 8.00* LBR 380,000P LBR C	1.20* 1,055,449A 11.00# 5,940,010B 28.80* 12.00# 8,922,353N 20.00* 2,000,000S 12.00* 20.00# 2,883,182U 8.00* 380,000P 11,000,000C
	INVESTMENT CAPITAL		LBR		
2.	LBR135 - WORKFORCE DEVELOPMENT COUNCIL				
	OPERATING		LBR	0.10* 462,868A 5.90* LBR 8,290,036N	0.10* 462,868A 6.90* 6,550,772N
3.	LBR171 - UNEMPLOYMENT INSURANCE PROGRAM				
	OPERATING		LBR	11.00# 3,191,310B 251.50* LBR 24,062,083N LBR 358,000,000T	11.00# 3,191,310B 251.50* 20,398,390N 358,000,000T

PROGRAM APPROPRIATIONS

ITEM NO.	PROG. ID	PROGRAM	EXPENDING AGENCY	APPROPRIATIONS	
				FISCAL YEAR 2017-2018	FISCAL YEAR 2018-2019
4.	LBR903	OFFICE OF COMMUNITY SERVICES			
				4.00*	4.00*
				5.00#	5.00#
	OPERATING		LBR	3,675,524 A	3,931,978 A
			LBR	5,000 B	5,000 B
				1.00*	1.00*
				4.00#	4.00#
			LBR	5,050,158 N	5,591,243 N
			LBR	500,000 U	0 U
			LBR	179,000 P	300,000 P
	INVESTMENT CAPITAL		LBR	3,658,000 C	6,231,000 C
5.	HMS802	VOCATIONAL REHABILITATION			
				37.76*	37.76*
				2.64#	2.64#
	OPERATING		HMS	4,834,804 A	4,809,804 A
				69.24*	69.24*
				5.36#	5.36#
			HMS	14,662,011 N	14,662,011 N
			HMS	1,330,200 W	1,330,200 W
	INVESTMENT CAPITAL		HMS	521,000 C	C
6.	LBR143	HAWAII OCCUPATIONAL SAFETY AND HEALTH PROGRAM			
				17.10*	17.10*
	OPERATING		LBR	1,084,236 A	1,084,236 A
				22.00*	22.00*
			LBR	3,002,955 B	3,002,955 B
				0.50#	0.50#
			LBR	70,000 W	70,000 W
				19.90*	19.90*
			LBR	2,089,716 P	2,150,000 P
7.	LBR152	WAGE STANDARDS PROGRAM			
				18.00*	18.00*
	OPERATING		LBR	1,185,488 A	1,208,802 A
8.	LBR153	HAWAII CIVIL RIGHTS COMMISSION			
				22.50*	22.50*
	OPERATING		LBR	1,624,947 A	1,644,693 A
				0.50*	0.50*
				5.00#	5.00#
			LBR	250,000 P	460,000 P
9.	LBR183	DISABILITY COMPENSATION PROGRAM			
				88.00*	90.00*
	OPERATING		LBR	5,818,016 A	8,166,334 A
				11.00*	11.00*
				5.00#	5.00#
			LBR	23,937,031 T	24,002,622 T
10.	LBR161	HAWAII LABOR RELATIONS BOARD			
				1.00*	3.00*
				6.00#	6.00#
	OPERATING		LBR	783,303 A	928,303 A
11.	LBR812	LABOR AND INDUSTRIAL RELATIONS APPEALS BOARD			
				10.00*	10.00*
	OPERATING		LBR	941,737 A	956,173 A

PROGRAM APPROPRIATIONS

ITEM NO.	PROG. ID	PROGRAM	EXPENDING AGENCY	APPROPRIATIONS	
				FISCAL YEAR 2017-2018	FISCAL YEAR 2018-2019
12.	LBR871 - EMPLOYMENT SECURITY APPEALS REFEREES' OFFICE			12.00*	12.00*
	OPERATING		LBR	1,165,559 N	1,165,559 N
13.	LBR901 - RESEARCH AND STATISTICS			4.38*	4.38*
	OPERATING		LBR	478,679 A	478,679 A
			LBR	480,895 N	400,000 N
			LBR	910,533 P	910,533 P
14.	LBR902 - GENERAL ADMINISTRATION			21.83*	16.83*
	OPERATING		LBR	1,740,856 A	1,534,456 A
			LBR	200,000 B	200,000 B
			LBR	3,286,941 P	3,286,941 P
C. TRANSPORTATION FACILITIES					
1.	TRN102 - DANIEL K. INOUYE INTERNATIONAL AIRPORT			653.50*	640.00*
	OPERATING		TRN	171,733,557 B	166,795,170 B
	INVESTMENT CAPITAL		TRN	1,836,750 N	1,405,500 N
			TRN	336,150,000 E	221,682,000 E
			TRN	9,000,000 N	1,000 N
			TRN	X	28,000,000 X
2.	TRN104 - GENERAL AVIATION			31.00*	31.00*
	OPERATING		TRN	13,235,284 B	8,313,626 B
	INVESTMENT CAPITAL		TRN	18,800,000 E	4,500,000 E
3.	TRN111 - HILO INTERNATIONAL AIRPORT			87.00*	87.00*
	OPERATING		TRN	16,129,760 B	16,624,335 B
	INVESTMENT CAPITAL		TRN	841,500 N	1,359,000 N
			TRN	19,800,000 E	6,100,000 E
			TRN	2,000,000 N	1,000 N
4.	TRN114 - ELLISON ONIZUKA KONA INTERNATIONAL AIRPORT AT KE-AHOLE			95.00*	101.00*
	OPERATING		TRN	20,039,454 B	20,631,234 B
	INVESTMENT CAPITAL		TRN	1,359,000 N	841,500 N
			TRN	1,359,000 B	B
			TRN	2,066,000 E	88,475,000 E
			TRN	1,000 N	N
5.	TRN116 - WAIMEA-KOHALA AIRPORT			6.00*	5.00*
	OPERATING		TRN	949,670 B	836,905 B

PROGRAM APPROPRIATIONS

ITEM NO.	PROG. ID	PROGRAM	EXPENDING AGENCY	APPROPRIATIONS	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
6.	TRN118 - UPOLU AIRPORT				
	OPERATING		TRN	49,500 B	49,500 B
	INVESTMENT CAPITAL		TRN	25,000 E	1,000,000 E
7.	TRN131 - KAHULUI AIRPORT				
	OPERATING		TRN	176.00*	174.00*
			TRN	33,922,386 B	34,700,365 B
	INVESTMENT CAPITAL		TRN	1,683,000 N	N
			TRN	108,473,000 E	20,805,000 E
			TRN	N	3,750,000 N
8.	TRN133 - HANA AIRPORT				
	OPERATING		TRN	8.00*	8.00*
	INVESTMENT CAPITAL		TRN	1,266,490 B	916,459 B
			TRN	500,000 E	1,500,000 E
9.	TRN135 - KAPALUA AIRPORT				
	OPERATING		TRN	11.00*	11.00*
	INVESTMENT CAPITAL		TRN	2,058,855 B	2,058,516 B
			TRN	500,000 E	1,500,000 E
10.	TRN141 - MOLOKAI AIRPORT				
	OPERATING		TRN	14.00*	14.00*
			TRN	2,940,108 B	2,939,175 B
	INVESTMENT CAPITAL		TRN	841,500 N	N
			TRN	1,000,000 E	6,250,000 E
11.	TRN143 - KALAUPAPA AIRPORT				
	OPERATING		TRN	9.00*	7.00*
	INVESTMENT CAPITAL		TRN	2,768,115 B	839,939 B
			TRN	E	4,500,000 E
12.	TRN151 - LANAI AIRPORT				
	OPERATING		TRN	12.00*	12.00*
			TRN	3,973,207 B	3,026,576 B
	INVESTMENT CAPITAL		TRN	841,500 N	N
			TRN	1,500,000 E	23,807,000 E
			TRN	N	1,000 N
			TRN	R	5,000,000 R
13.	TRN161 - LIHUE AIRPORT				
	OPERATING		TRN	104.00*	116.00*
			TRN	28,188,495 B	24,155,012 B
	INVESTMENT CAPITAL		TRN	841,500 N	N
			TRN	9,294,000 B	B
			TRN	5,123,000 E	17,225,000 E
			TRN	12,000,000 X	X
14.	TRN163 - PORT ALLEN AIRPORT				
	OPERATING		TRN	1,841 B	1,841 B
	INVESTMENT CAPITAL		TRN	1,500,000 E	E
15.	TRN195 - AIRPORTS ADMINISTRATION				
	OPERATING		TRN	130.00*	131.00*
			TRN	2.00#	1.00#
	INVESTMENT CAPITAL		TRN	228,718,309 B	327,589,812 B
			TRN	15,550,000 B	9,400,000 B
			TRN	5,000,000 E	140,000,000 E
			TRN	1,000 N	6,402,000 N
			TRN	7,325,000 X	53,125,000 X

PROGRAM APPROPRIATIONS

ITEM NO.	PROG. ID	PROGRAM	EXPENDING AGENCY	APPROPRIATIONS	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
16.	TRN301	- HONOLULU HARBOR			
				113.00*	114.00*
				2.00#	1.00#
		OPERATING	TRN	27,118,386B	19,822,117B
		INVESTMENT CAPITAL	TRN		8,000B
			TRN	20,000,000E	50,210,000E
			TRN		2,000R
17.	TRN303	- KALAELOA BARBERS POINT HARBOR			
		OPERATING	TRN	1,889,662B	1,266,148B
18.	TRN311	- HILO HARBOR			
		OPERATING	TRN	14.00*	15.00*
		INVESTMENT CAPITAL	TRN	3,357,490B	2,221,431B
			TRN		2,000B
			TRN		2,200,000E
19.	TRN313	- KAWAIHAE HARBOR			
		OPERATING	TRN	1,376,431B	786,689B
20.	TRN331	- KAHULUI HARBOR			
		OPERATING	TRN	18.00*	18.00*
		INVESTMENT CAPITAL	TRN	4,211,471B	3,165,617B
			TRN		4,000B
			TRN		34,600,000E
21.	TRN341	- KAUNAKAKAI HARBOR			
		OPERATING	TRN	1.00*	1.00*
				846,841B	201,224B
22.	TRN361	- NAWILIWILI HARBOR			
		OPERATING	TRN	15.00*	15.00*
		INVESTMENT CAPITAL	TRN	4,906,271B	2,529,949B
			TRN		B
			TRN	7,500,000E	E
23.	TRN363	- PORT ALLEN HARBOR			
		OPERATING	TRN	1.00*	1.00*
				473,840B	184,753B
24.	TRN351	- KAUMALAPAU HARBOR			
		OPERATING	TRN	1.00*	1.00*
				446,963B	132,006B
25.	TRN395	- HARBORS ADMINISTRATION			
				77.00*	77.00*
				1.00#	1.00#
		OPERATING	TRN	69,908,769B	91,820,996B
		INVESTMENT CAPITAL	TRN	8,193,000B	8,495,000B
			TRN		C
			TRN	7,000,000E	52,900,000E
			TRN		1,000R
			TRN	3,000P	3,000P
26.	TRN333	- HANA HARBOR			
		OPERATING	TRN	42,519B	12,519B
		INVESTMENT CAPITAL	TRN		B
			TRN	3,700,000E	E

PROGRAM APPROPRIATIONS

ITEM NO.	PROG. ID	PROGRAM	EXPENDING AGENCY	APPROPRIATIONS	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
27.	TRN501	- OAHU HIGHWAYS			
	OPERATING		TRN	195.00*	195.00*
	INVESTMENT CAPITAL		TRN	105,676,376 B	71,280,272 B
			TRN	1,000,000 C	4,500,000 C
			TRN	80,560,000 E	52,305,000 E
			TRN	84,440,000 N	164,622,000 N
28.	TRN511	- HAWAII HIGHWAYS			
	OPERATING		TRN	131.00*	131.00*
	INVESTMENT CAPITAL		TRN	27,211,158 B	15,166,307 B
			TRN	43,570,000 E	23,000,000 E
			TRN	100,280,000 N	75,600,000 N
29.	TRN531	- MAUI HIGHWAYS			
	OPERATING		TRN	89.00*	89.00*
	INVESTMENT CAPITAL		TRN	1.00#	1.00#
			TRN	30,972,631 B	16,096,069 B
			TRN	96,500,000 E	44,550,000 E
			TRN	3,800,000 N	82,600,000 N
30.	TRN561	- KAUAI HIGHWAYS			
	OPERATING		TRN	51.00*	51.00*
	INVESTMENT CAPITAL		TRN	15,831,078 B	7,331,597 B
			TRN	16,760,000 E	12,470,000 E
			TRN	45,640,000 N	36,480,000 N
31.	TRN595	- HIGHWAYS ADMINISTRATION			
	OPERATING		TRN	A	11,500,000 A
				112.00*	112.00*
				5.00#	5.00#
			TRN	117,147,926 B	170,432,091 B
				1.00#	1.00#
	INVESTMENT CAPITAL		TRN	6,991,918 N	7,207,918 N
			TRN	16,000,000 B	16,000,000 B
			TRN	18,510,000 E	48,250,000 E
			TRN	75,240,000 N	188,600,000 N
32.	TRN597	- HIGHWAYS SAFETY			
	OPERATING		TRN	31.20*	31.20*
			TRN	10,577,054 B	10,572,854 B
				6.00*	6.00*
			TRN	3,817,704 N	3,971,451 N
				0.80*	0.80*
			TRN	754,989 P	754,989 P
33.	TRN995	- GENERAL ADMINISTRATION			
	OPERATING		TRN	2,000,000 A	A
				110.00*	110.00*
				2.00#	2.00#
			TRN	25,997,379 B	22,567,622 B
				1.00*	1.00*
			TRN	9,913,329 N	15,433,067 N
			TRN	728,352 R	737,510 R
34.	TRN695	- ALOHA TOWER DEVELOPMENT CORPORATION			
	OPERATING		TRN	1.00#	1.00#
				1,842,173 B	1,842,173 B

PROGRAM APPROPRIATIONS

ITEM NO.	PROG. ID	PROGRAM	EXPENDING AGENCY	APPROPRIATIONS	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
D. ENVIRONMENTAL PROTECTION					
1. HTH840 - ENVIRONMENTAL MANAGEMENT					
	OPERATING		HTH	67.00* 4,873,233 A 63.00* 5.00#	70.00* 5,151,159 A 63.00* 7.00#
			HTH	79,391,866 B 33.60* 2.00#	79,561,332 B 31.60* 2.00#
			HTH	8,349,896 N 2.00*	9,538,948 N 2.00*
			HTH	235,454 U 31.00*	235,454 U 31.00*
			HTH	208,801,050 W 10.40* 4.00#	208,801,050 W 9.40* 4.00#
	INVESTMENT CAPITAL		HTH	1,935,144 P	1,864,920 P
			HTH	3,733,000 C	3,702,000 C
			HTH	18,660,000 N	18,509,000 N
2. AGR846 - PESTICIDES					
	OPERATING		AGR	17.00* 1,692,013 A 11.00*	17.00* 1,771,249 A 11.00*
			AGR	1,861,231 W 2.00* 1.00#	1,903,496 W 2.00* 1.00#
			AGR	464,629 P	464,629 P
3. LNR401 - ECOSYSTEM PROTECTION AND RESTORATION					
	OPERATING		LNR	24.75* 4.00# 2,236,556 A 0.75* #	26.75* 4.00# 2,897,080 A 0.75* 2.00#
			LNR	2,237,844 N 0.50* 8.00#	2,437,937 N 0.50* 4.00#
			LNR	3,743,649 P	1,558,822 P
4. LNR402 - NATIVE RESOURCES AND FIRE PROTECTION PROGRAM					
	OPERATING		LNR	48.50* 2.00# 14,368,812 A 15.00* 3.00#	51.50* 0.00# 15,223,416 A 15.00* 3.00#
			LNR	1,894,520 N 1.00#	1,894,520 N 1.00#
			LNR	189,799 T 7.00#	189,799 T 7.00#
			LNR	1,679,079 U 3.50* 3.00#	1,679,079 U 3.50* 3.00#
	INVESTMENT CAPITAL		LNR	1,300,000 P	1,300,000 P
			LNR	1,600,000 C	2,970,000 C

PROGRAM APPROPRIATIONS

ITEM NO.	PROG. ID	PROGRAM	EXPENDING AGENCY	APPROPRIATIONS	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
5.	LNR404 - WATER RESOURCES				
	OPERATING		LNR	19.00* 2,559,371 A 5.00*	19.00* 2,559,371 A 6.00*
			LNR	1,056,596 B	1,141,326 B
			LNR	250,000 N	150,000 N
6.	LNR405 - CONSERVATION AND RESOURCES ENFORCEMENT				
	OPERATING		LNR	109.25* 12.00# 8,422,817 A 18.00*	131.25* 12.00# 9,955,151 A 0.00*
			LNR	2,661,339 B 3.75*	1,344,671 B 3.75*
			LNR	1,219,046 N	1,319,046 N
			LNR	32,671 W	32,671 W
			LNR	900,000 P	900,000 P
7.	LNR407 - NATURAL AREA RESERVES AND WATERSHED MANAGEMENT				
	OPERATING		LNR	30.50* 34.00# 8,458,700 A 0.50*	48.50* 23.00# 8,380,472 A 0.50*
	INVESTMENT CAPITAL		LNR	1,865,720 P	1,865,720 P
			LNR	200,000 C	7,239,000 C
8.	HTH850 - OFFICE OF ENVIRONMENTAL QUALITY CONTROL				
	OPERATING		HTH	5.00* 392,774 A	5.00* 392,774 A
9.	LNR906 - LNR - NATURAL AND PHYSICAL ENVIRONMENT				
	OPERATING		LNR	35.00* 15.00# 3,635,396 A 16.00* 1.00#	37.00* 15.00# 3,820,252 A 17.00* 1.00#
			LNR	1,958,011 B	2,049,537 B
			LNR	135,139 N	135,139 N
			LNR	1.00*	1.00*
	INVESTMENT CAPITAL		LNR	152,871 T	152,871 T
			LNR	1,500,000 C	1,500,000 C
10.	HTH849 - ENVIRONMENTAL HEALTH ADMINISTRATION				
	OPERATING		HTH	23.00* 1.25# 3,695,411 A 0.50*	24.00* 1.25# 3,776,299 A 0.50*
			HTH	77,234 B 3.40*	77,234 B 3.40*
			HTH	0.60#	0.60#
			HTH	575,500 N	296,103 N
			HTH	14.00* 2,793,662 W 13.10*	14.00* 2,793,662 W 12.10*
			HTH	3.15#	3.15#
			HTH	2,877,286 P	4,426,797 P

PROGRAM APPROPRIATIONS

ITEM NO.	PROG. ID	PROGRAM	EXPENDING AGENCY	APPROPRIATIONS	
				FISCAL YEAR 2017-2018	FISCAL YEAR 2018-2019
E. HEALTH					
1. HTH100 - COMMUNICABLE DISEASE AND PUBLIC HEALTH NURSING					
				248.87*	242.87*
				3.30#	2.30#
	OPERATING		HTH	27,619,596 A	27,625,184 A
				1.00*	1.00*
			HTH	6.00#	6.00#
				662,761 B	726,850 B
				2.00#	15.00#
			HTH	4,572,267 N	8,648,246 N
				1.00#	1.00#
			HTH	178,291 U	178,291 U
				16.00*	14.00*
				40.50#	25.50#
			HTH	5,008,971 P	5,373,696 P
2. HTH131 - DISEASE OUTBREAK CONTROL					
				22.60*	22.60*
	OPERATING		HTH	1,871,731 A	1,922,731 A
				31.40*	31.40*
				37.00#	38.00#
			HTH	48,415,072 N	11,215,072 N
				17.00#	32.50#
			HTH	5,330,590 P	4,895,488 P
3. HTH730 - EMERGENCY MEDICAL SERVICES AND INJURY PREVENTION SYSTEM					
				12.00*	12.00*
				1.40#	1.40#
	OPERATING		HTH	67,202,347 A	73,810,954 A
				6.00#	6.00#
			HTH	22,230,234 B	22,230,234 B
				3.00#	3.00#
			HTH	630,000 P	630,000 P
4. HTH560 - FAMILY HEALTH SERVICES					
				107.00*	107.00*
				2.50#	2.50#
	OPERATING		HTH	28,350,378 A	31,362,698 A
				14.00*	13.00*
				3.00#	3.00#
			HTH	18,391,507 B	18,310,272 B
				168.50*	119.50*
				14.50#	14.30#
			HTH	52,379,172 N	38,992,602 N
			HTH	203,441 U	203,441 U
				9.00*	8.00*
				19.00#	19.20#
			HTH	19,626,935 P	14,856,705 P
5. HTH590 - CHRONIC DISEASE PREVENTION AND HEALTH PROMOTION					
				38.50*	39.50*
				6.00#	6.00#
	OPERATING		HTH	6,628,774 A	7,344,766 A
			HTH	48,656,356 B	48,656,356 B
			HTH	610,000 U	1,000,000 U
				10.50*	10.50*
				24.50#	24.50#
			HTH	13,046,023 P	7,846,023 P

PROGRAM APPROPRIATIONS

ITEM NO.	PROG. ID	PROGRAM	EXPENDING AGENCY	APPROPRIATIONS	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
6.	HTH595	HEALTH RESOURCES ADMINISTRATION			
	OPERATING		HTH	2.00* 203,309 A	2.00* 203,309 A
7.	HTH210	HAWAII HEALTH SYSTEMS CORPORATION – CORPORATE OFFICE			
	OPERATING		HTH	54.50* 17,509,280 B	54.50* 17,509,280 B
8.	HTH211	KAHUKU HOSPITAL			
	OPERATING		HTH	1,800,000 A	1,800,000 A
	INVESTMENT CAPITAL		HTH	1,650,000 C	C
9.	HTH212	HAWAII HEALTH SYSTEMS CORPORATION – REGIONS			
	OPERATING		HTH	110,901,003 A 2,780.75*	118,431,972 A 2,780.75*
	INVESTMENT CAPITAL		HTH HTH	565,029,561 B 21,352,000 C	565,029,561 B 10,490,000 C
10.	HTH213	ALII COMMUNITY CARE			
	OPERATING		HTH	3,500,000 B	3,500,000 B
11.	SUB601	PRIVATE HOSPITALS AND MEDICAL SERVICES			
	OPERATING		SUB	942,000 A	942,000 A
12.	HTH214	MAUI HEALTH SYSTEM, A KFH LLC			
	OPERATING		HTH	33,420,000 A	28,000,000 A
	INVESTMENT CAPITAL		HTH	6,000,000 C	6,000,000 C
13.	HTH420	ADULT MENTAL HEALTH - OUTPATIENT			
	OPERATING		HTH HTH HTH	152.50* 193.00# 61,703,356 A 11,610,000 B 5.00# 1,632,230 N	195.00* 150.50# 61,703,356 A 11,610,000 B 5.00# 1,467,581 N
14.	HTH430	ADULT MENTAL HEALTH - INPATIENT			
	OPERATING		HTH	639.00* 27.00# 74,650,585 A	638.00* 27.00# 74,630,197 A
	INVESTMENT CAPITAL		AGS	421,000 C	C
15.	HTH440	ALCOHOL AND DRUG ABUSE DIVISION			
	OPERATING		HTH HTH HTH HTH	28.00* 1.00# 20,660,248 A 750,000 B 8,489,857 N 6.50# 11,801,996 P 500,000 C	28.00* 1.00# 20,149,764 A 750,000 B 8,535,892 N 8.50# 5,806,914 P C
16.	HTH460	CHILD AND ADOLESCENT MENTAL HEALTH			
	OPERATING		HTH HTH HTH	158.00* 25.00# 43,091,539 A 17.00* 6.00# 15,093,233 B 5.00# 1,580,536 N	158.00* 25.00# 43,364,539 A 17.00* 6.00# 15,093,233 B 5.00# 1,039,108 N

PROGRAM APPROPRIATIONS

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				FISCAL YEAR 2017-2018	FISCAL YEAR 2018-2019
				2.00#	2.00#
			HTH	2,281,992 U	2,281,992 U
				14.50#	8.50#
			HTH	2,034,901 P	2,318,223 P
17.	HTH501 -	DEVELOPMENTAL DISABILITIES		212.75 *	213.75 *
				6.00#	5.00#
	OPERATING		HTH	78,976,419 A	83,368,937 A
				3.00 *	3.00 *
			HTH	1,053,448 B	1,053,448 B
18.	HTH495 -	BEHAVIORAL HEALTH ADMINISTRATION		46.50 *	45.50 *
				49.50#	50.50#
	OPERATING		HTH	6,730,409 A	6,730,409 A
				1.00#	1.00#
			HTH	137,363 P	137,363 P
19.	HTH610 -	ENVIRONMENTAL HEALTH SERVICES		129.00 *	129.00 *
	OPERATING		HTH	8,630,451 A	8,630,451 A
				23.00 *	23.00 *
			HTH	2,753,804 B	2,753,804 B
				2.00 *	2.00 *
			HTH	158,000 N	158,000 N
				3.00 *	3.00 *
			HTH	231,850 U	231,850 U
				2.00 *	2.00 *
			HTH	221,176 P	364,150 P
20.	HTH710 -	STATE LABORATORY SERVICES		72.00 *	72.00 *
				1.00#	1.00#
	OPERATING		HTH	7,703,038 A	7,703,038 A
				3.00#	3.00#
	INVESTMENT CAPITAL		HTH	390,000 P	390,000 P
			AGS	C	660,000 C
21.	HTH720 -	HEALTH CARE ASSURANCE		24.40 *	25.00 *
				1.00#	2.00#
	OPERATING		HTH	2,484,181 A	2,610,719 A
				5.00#	5.00#
			HTH	1,311,000 B	1,311,000 B
				16.60 *	16.00 *
			HTH	2,553,901 P	2,502,450 P
22.	HTH906 -	STATE HEALTH PLANNING AND DEVELOPMENT AGENCY		6.00 *	6.00 *
	OPERATING		HTH	560,711 A	560,711 A
			HTH	114,000 B	114,000 B
23.	HTH760 -	HEALTH STATUS MONITORING		32.50 *	33.50 *
	OPERATING		HTH	1,626,893 A	1,626,893 A
				1.00 *	0.00 *
				3.00#	2.00#
			HTH	662,587 B	484,641 B
				3.00 *	4.00 *
			HTH	432,300 P	342,300 P

PROGRAM APPROPRIATIONS

ITEM NO.	PROG. ID	PROGRAM	EXPENDING AGENCY	APPROPRIATIONS	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
24.	HTH905 - DEVELOPMENTAL DISABILITIES COUNCIL				
	OPERATING		HTH	2.50* 230,932 A	2.50* 230,932 A
			HTH	6.50* 528,666 N	5.00* 498,981 N
25.	HTH907 - GENERAL ADMINISTRATION				
	OPERATING		HTH	123.50* 5.00# 11,191,939 A	124.50* 5.00# 11,023,468 A
	INVESTMENT CAPITAL		HTH AGS HTH	913,074 P 13,920,000 C 3,775,000 C	913,074 P 1,730,000 C 1,300,000 C
26.	HTH908 - OFFICE OF LANGUAGE ACCESS				
	OPERATING		HTH	3.00* 320,851 A	5.00* 399,137 A
F. SOCIAL SERVICES					
1.	HMS301 - CHILD PROTECTIVE SERVICES				
	OPERATING		HMS	219.30* 34,549,692 A	219.30* 34,629,692 A
			HMS	1,007,587 B 175.20* 42,164,875 N	1,007,587 B 175.20* 42,249,043 N
			HMS	106,225 P	106,225 P
2.	HMS302 - GENERAL SUPPORT FOR CHILD CARE				
	OPERATING		HMS	25.35* 1,715,547 A	25.35* 1,715,547 A
			HMS	24.65* 11,850,965 N	24.65* 11,869,726 N
3.	HMS303 - CHILD PROTECTIVE SERVICES PAYMENTS				
	OPERATING		HMS	43,131,294 A	47,765,586 A
			HMS	23,614,626 N	26,110,014 N
4.	HMS305 - CASH SUPPORT FOR CHILD CARE				
	OPERATING		HMS	25,011,811 A	25,011,811 A
			HMS	38,530,754 N	38,530,754 N
5.	HMS501 - IN-COMMUNITY YOUTH PROGRAMS				
	OPERATING		HMS	14.00* 0.50# 9,075,753 A	14.00* 0.50# 9,100,753 A
			HMS	3.00# 2,572,722 N	3.00# 2,572,722 N
6.	HMS503 - HAWAII YOUTH CORRECTIONAL FACILITY (HYCF)				
	OPERATING		HMS	118.00* 9,829,191 A	109.00* 9,311,703 A
	INVESTMENT CAPITAL		HMS	C	300,000 C
7.	DEF112 - SERVICES TO VETERANS				
	OPERATING		DEF	28.00* 2,860,972 A	28.00* 2,811,072 A
	INVESTMENT CAPITAL		DEF	1,839,100 P 1,620,000 C	P 215,000 C

PROGRAM APPROPRIATIONS

ITEM NO.	PROG. ID	PROGRAM	EXPENDING AGENCY	APPROPRIATIONS	
				FISCAL M YEAR 2017-2018	FISCAL M YEAR 2018-2019
8.	HMS601 - ADULT PROTECTIVE AND COMMUNITY SERVICES				
	OPERATING		HMS	71.48 * 5,830,367 A 7.02 * 3.00 #	71.48 * 5,830,367 A 7.02 * 3.00 #
			HMS	3,979,173 N	3,979,173 N
			HMS	10,000 R	10,000 R
			HMS	387,560 U	387,560 U
			HMS	1,321,390 P	1,321,390 P
9.	HMS202 - AGED, BLIND AND DISABLED PAYMENTS				
	OPERATING		HMS	4,029,480 A	4,029,480 A
10.	HMS204 - GENERAL ASSISTANCE PAYMENTS				
	OPERATING		HMS	23,889,056 A	23,889,056 A
			HMS	B	3,000,000 B
11.	HMS206 - FEDERAL ASSISTANCE PAYMENTS				
	OPERATING		HMS	5,703,592 N	5,703,592 N
12.	HMS211 - CASH SUPPORT FOR FAMILIES - SELF-SUFFICIENCY				
	OPERATING		HMS	22,694,156 A	22,694,156 A
			HMS	44,000,000 N	44,000,000 N
13.	HMS220 - RENTAL HOUSING SERVICES				
	OPERATING		HMS	* 6,432,410 A 200.00 * 7.50 #	2.00 * 6,577,466 A 183.00 * 4.50 #
			HMS	79,995,342 N	79,877,679 N
			HMS	21.00 *	13.00 *
	INVESTMENT CAPITAL		HMS	5,026,438 W	4,527,391 W
			HMS	20,175,000 C	26,000,000 C
14.	HMS229 - HAWAII PUBLIC HOUSING AUTHORITY ADMINISTRATION				
	OPERATING		HMS	76.00 * 41.00 # 39,432,344 N	76.00 * 41.00 # 40,373,761 N
			HMS	51.00 *	51.00 *
			HMS	20.00 #	20.00 #
	INVESTMENT CAPITAL		HMS	5,657,053 W	6,339,464 W
			HMS	300,000 C	C
15.	HMS222 - RENTAL ASSISTANCE SERVICES				
	OPERATING		HMS	2.25 * 1,082,187 A 29.75 * 2.00 #	2.25 * 1,532,187 A 22.75 * 1.00 #
			HMS	26,442,710 N	26,047,910 N
16.	HMS224 - HOMELESS SERVICES				
	OPERATING		HMS	11.00 * 23,696,955 A	11.00 * 31,026,955 A
			HMS	649,448 N	649,448 N
			HMS	2,366,839 P	2,366,839 P
17.	HMS605 - COMMUNITY-BASED RESIDENTIAL SUPPORT				
	OPERATING		HMS	17,810,955 A	17,810,955 A

PROGRAM APPROPRIATIONS

ITEM NO.	PROG. ID	PROGRAM	EXPENDING AGENCY	APPROPRIATIONS	
				FISCAL YEAR 2017-2018	FISCAL YEAR 2018-2019
18.	HMS401 - HEALTH CARE PAYMENTS				
	OPERATING		HMS	913,892,726 A	944,108,598 A
			HMS	1,376,660 B	1,376,660 B
			HMS	1,698,390,124 N	1,803,909,546 N
			HMS	6,781,921 U	6,781,921 U
			HMS	13,216,034 P	13,216,034 P
19.	HMS236 - CASE MANAGEMENT FOR SELF-SUFFICIENCY				
	OPERATING		HMS	296.33 *	296.33 *
			HMS	15,251,625 A	15,251,625 A
			HMS	233.67 *	233.67 *
			HMS	25,472,110 N	25,529,674 N
			HMS	30,237 P	30,237 P
20.	HMS238 - DISABILITY DETERMINATION				
	OPERATING		HMS	49.00 *	49.00 *
			HMS	8,029,327 N	8,072,480 N
21.	ATG500 - CHILD SUPPORT ENFORCEMENT SERVICES				
	OPERATING		ATG	74.80 *	70.72 *
			ATG	0.34 #	0.34 #
			ATG	4,521,628 A	4,303,266 A
			ATG	2,231,224 T	2,231,224 T
			ATG	145.20 *	137.28 *
			ATG	0.66 #	0.66 #
			ATG	16,436,851 P	15,880,241 P
22.	HMS237 - EMPLOYMENT AND TRAINING				
	OPERATING		HMS	469,505 A	469,505 A
			HMS	1,245,750 N	1,245,750 N
23.	HHL602 - PLANNING AND DEVELOPMENT FOR HAWAIIAN HOMESTEADS				
	OPERATING		HHL	A	200,000 A
			HHL	4,824,709 B	4,824,709 B
			HHL	4.00 *	4.00 *
			HHL	2.00 #	2.00 #
	INVESTMENT CAPITAL		HHL	23,318,527 N	23,318,527 N
			HHL	3,740,534 T	3,740,534 T
			AGR	6,900,000 C	C
			HHL	39,200,000 C	20,130,000 C
			HHL	15,000,000 N	15,000,000 N
24.	HHL625 - ADMINISTRATION AND OPERATING SUPPORT				
	OPERATING		HHL	200.00 *	200.00 *
			HHL	25,120,730 A	25,120,730 A
25.	HTH904 - EXECUTIVE OFFICE ON AGING				
	OPERATING		HTH	8.54 *	8.54 *
			HTH	2.35 #	2.35 #
			HTH	14,698,301 A	15,024,319 A
			HTH	6.46 *	6.46 *
			HTH	2.00 #	2.00 #
			HTH	6,997,531 N	7,087,531 N
			HTH	8.00 #	8.00 #
			HTH	1,816,791 P	1,223,791 P
26.	HTH520 - DISABILITY AND COMMUNICATIONS ACCESS BOARD				
	OPERATING		HTH	11.00 *	11.00 *
			HTH	1,020,915 A	1,020,915 A
			HTH	7.00 *	8.00 *
			HTH	915,094 B	966,656 B

PROGRAM APPROPRIATIONS

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				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F	
				2.00 *	2.00 *	
		INVESTMENT CAPITAL	HTH	286,003 U	286,003 U	
			HTH	C	300,000 C	
27.	HMS902	GENERAL SUPPORT FOR HEALTH CARE PAYMENTS			134.50 *	134.50 *
				5.70 #	5.70 #	
	OPERATING		HMS	9,479,187 A	14,729,187 A	
				0.56 *	0.56 *	
			HMS	1,539,357 B	1,539,357 B	
				142.69 *	142.69 *	
				19.30 #	19.30 #	
			HMS	52,924,167 N	53,160,715 N	
			HMS	843,987 P	843,987 P	
28.	HMS903	GENERAL SUPPORT FOR SELF-SUFFICIENCY SERVICES			49.28 *	49.28 *
				1.59 #	1.59 #	
	OPERATING		HMS	41,622,620 A	41,622,620 A	
				44.72 *	44.72 *	
			HMS	65,391,488 N	65,419,537 N	
			HMS	3,000 P	3,000 P	
29.	HMS904	GENERAL ADMINISTRATION - DHS			135.45 *	139.45 *
				8.00 #	8.00 #	
	OPERATING		HMS	10,438,024 A	10,825,610 A	
				26.55 *	27.55 *	
			HMS	3,869,103 N	4,073,032 N	
			HMS	1,500 P	1,500 P	
30.	HMS901	GENERAL SUPPORT FOR SOCIAL SERVICES			19.45 *	19.45 *
	OPERATING		HMS	2,474,317 A	2,474,317 A	
				9.55 *	9.55 *	
			HMS	2,074,339 N	2,074,339 N	
G. FORMAL EDUCATION						
1.	EDN100	SCHOOL-BASED BUDGETING			12,562.25 *	12,421.25 *
				680.25 #	680.25 #	
	OPERATING		EDN	941,582,174 A	948,307,059 A	
			EDN	5,230,000 B	5,230,000 B	
			EDN	141,470,617 N	138,670,617 N	
			EDN	13,640,000 T	13,640,000 T	
			EDN	7,495,605 U	7,495,605 U	
			EDN	2,379,491 W	2,379,491 W	
			EDN	8,989,000 P	8,989,000 P	
	INVESTMENT CAPITAL		EDN	451,415,000 C	345,555,000 C	
			EDN	N	4,800,000 N	
			EDN	R	1,000 R	
2.	EDN150	SPECIAL EDUCATION AND STUDENT SUPPORT SERVICES			5,237.50 *	5,237.50 *
				1,228.25 #	1,228.25 #	
	OPERATING		EDN	367,652,889 A	367,652,889 A	
			EDN	100,000 B	100,000 B	

PROGRAM APPROPRIATIONS

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				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
				2.00*	2.00*
				33.00#	33.00#
			EDN	52,128,383 N	52,128,383 N
				4.00*	4.00*
			EDN	3,500,000 W	3,500,000 W
3.		EDN200 - INSTRUCTIONAL SUPPORT			
				396.00*	399.00*
				83.00#	83.00#
		OPERATING	EDN	53,666,953 A	56,078,961 A
				11.00*	11.00*
			EDN	2,321,746 B	2,321,746 B
				2.00#	2.00#
			EDN	500,000 N	500,000 N
			EDN	270,031 U	270,031 U
				1.00#	1.00#
			EDN	273,794 P	273,794 P
4.		EDN300 - STATE ADMINISTRATION			
				502.50*	514.50*
				8.00#	8.00#
		OPERATING	EDN	49,838,966 A	51,708,109 A
			EDN	30,000 P	30,000 P
5.		EDN400 - SCHOOL SUPPORT			
				622.50*	693.50*
				3.00#	3.00#
		OPERATING	EDN	190,640,268 A	197,576,684 A
				11.00*	11.00*
			EDN	43,018,357 B	43,018,357 B
				718.50*	718.50*
				118.50#	118.50#
			EDN	66,097,300 N	66,097,300 N
			EDN	R	150,000 R
				4.00*	4.00*
				2.00#	2.00#
		INVESTMENT CAPITAL	EDN	6,504,189 W	6,504,189 W
			EDN	4,349,000 A	0 A
6.		EDN500 - SCHOOL COMMUNITY SERVICES			
				29.00*	35.00*
				5.00#	5.00#
		OPERATING	EDN	3,713,514 A	3,969,182 A
			EDN	1,631,000 B	1,631,000 B
				2.00#	2.00#
			EDN	3,266,757 N	3,266,757 N
			EDN	2,260,000 T	2,260,000 T
			EDN	11,700,000 W	11,700,000 W
7.		EDN600 - CHARTER SCHOOLS			
		OPERATING	EDN	85,247,456 A	88,443,131 A
			EDN	1,892,000 N	1,892,000 N
		INVESTMENT CAPITAL	EDN	550,000 C	1,500,000 C
8.		EDN612 - CHARTER SCHOOLS COMMISSION AND ADMINISTRATION			
				16.12*	17.12*
		OPERATING	EDN	1,500,000 A	1,550,000 A
				1.88*	1.88*
			EDN	415,700 N	415,700 N

PROGRAM APPROPRIATIONS

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				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
9.	EDN700 - EARLY LEARNING				
	OPERATING		EDN	54.00 * 3,226,286 A 1.00 #	66.00 * 3,828,840 A 1.00 #
			EDN	125,628 N	125,628 N
10.	BUF745 - RETIREMENT BENEFITS - DOE		BUF	333,274,304 A	354,408,234 A
11.	BUF765 - HEALTH PREMIUM PAYMENTS - DOE		BUF	281,376,552 A	276,962,809 A
12.	BUF725 - DEBT SERVICE PAYMENTS - DOE		BUF	291,897,733 A	314,271,526 A
13.	AGS807 - SCHOOL R&M, NEIGHBOR ISLAND DISTRICTS				
	OPERATING		AGS	80.00 * 5,215,769 A 7.00 *	80.00 * 5,365,769 A 7.00 *
			AGS	1,790,434 U	1,790,434 U
14.	EDN407 - PUBLIC LIBRARIES				
	OPERATING		EDN	558.00 * 1.00 # 35,325,668 A	560.50 * 1.00 # 36,163,876 A
			EDN	4,000,000 B	4,000,000 B
			EDN	1,365,244 N	1,365,244 N
	INVESTMENT CAPITAL		AGS	7,165,000 C	4,500,000 C
			EDN	C	7,200,000 C
15.	DEF114 - HAWAII NATIONAL GUARD YOUTH CHALLENGE ACADEMY				
	OPERATING		DEF	26.75 # 1,700,000 A 77.25 #	24.50 # 1,706,507 A 73.50 #
	INVESTMENT CAPITAL		DEF	5,584,387 P 800,000 C	5,363,962 P C
16.	UOH100 - UNIVERSITY OF HAWAII, MANOA				
	OPERATING		UOH	3,258.38 * 50.75 # 214,190,037 A 411.25 *	3,253.88 * 47.25 # 217,736,513 A 381.25 *
			UOH	2.00 # 361,082,295 B 78.06 *	2.00 # 361,029,929 B 78.06 *
			UOH	6,873,565 N 30.25 *	6,873,565 N 28.25 *
	INVESTMENT CAPITAL		UOH	65,039,713 W	65,039,713 W
			UOH	600,000 C	700,000 C
17.	UOH110 - UNIVERSITY OF HAWAII, JOHN A. BURNS SCHOOL OF MEDICINE				
	OPERATING		UOH	218.60 * 3.50 # 18,207,870 A	218.60 * 3.50 # 18,207,870 A
			UOH	27,758,949 B	27,758,949 B
			UOH	6,603,547 W	6,603,547 W
18.	UOH210 - UNIVERSITY OF HAWAII, HILO				
	OPERATING		UOH	552.75 * 7.00 # 34,230,961 A	553.25 * 7.00 # 35,109,961 A

PROGRAM APPROPRIATIONS

ITEM NO.	PROG. ID	PROGRAM	EXPENDING AGENCY	APPROPRIATIONS	
				FISCAL YEAR 2017-2018	FISCAL YEAR 2018-2019
				95.00 *	81.00 *
			UOH	46,643,094 B	46,643,094 B
			UOH	443,962 N	443,962 N
				8.50 *	8.50 *
			UOH	7,418,843 W	7,418,843 W
		INVESTMENT CAPITAL	UOH	3,000,000 C	3,500,000 C
19.	UOH220 -	SMALL BUSINESS DEVELOPMENT		1.00 #	1.00 #
		OPERATING	UOH	978,941 A	978,941 A
20.	UOH700 -	UNIVERSITY OF HAWAII, WEST OAHU		226.00 *	240.20 *
				1.50 #	1.50 #
		OPERATING	UOH	15,398,196 A	16,414,196 A
				7.50 #	7.50 #
			UOH	20,778,810 B	20,778,810 B
			UOH	802,037 N	802,037 N
			UOH	2,063,139 W	2,063,139 W
		INVESTMENT CAPITAL	UOH	2,550,000 C	5,000,000 C
21.	UOH800 -	UNIVERSITY OF HAWAII, COMMUNITY COLLEGES		1,887.00 *	1,906.00 *
				54.50 #	54.50 #
		OPERATING	UOH	136,259,605 A	138,154,777 A
				48.00 *	34.00 *
			UOH	99,952,476 B	99,952,476 B
				0.50 *	0.50 *
			UOH	4,428,296 N	4,428,296 N
			UOH	5,538,182 W	5,538,182 W
		INVESTMENT CAPITAL	UOH	44,620,000 C	34,573,000 C
			UOH	5,000,000 R	5,000,000 R
22.	UOH900 -	UNIVERSITY OF HAWAII, SYSTEMWIDE SUPPORT		449.00 *	464.00 *
				1.00 #	1.00 #
		OPERATING	UOH	55,776,892 A	54,190,416 A
				38.00 *	31.00 *
			UOH	17,144,102 B	17,144,102 B
				4.00 *	4.00 *
				4.00 #	4.00 #
			UOH	1,094,875 N	1,094,875 N
				15.00 *	15.00 *
		INVESTMENT CAPITAL	UOH	17,238,873 W	17,238,873 W
			AGR	6,000,000 C	C
			UOH	93,000,000 C	76,200,000 C
23.	BUF748 -	RETIREMENT BENEFITS - UH			
		OPERATING	BUF	153,287,636 A	162,857,166 A
24.	BUF768 -	HEALTH PREMIUM PAYMENTS - UH			
		OPERATING	BUF	104,466,873 A	102,258,425 A
25.	BUF728 -	DEBT SERVICE PAYMENTS - UH			
		OPERATING	BUF	108,030,960 A	116,311,471 A

PROGRAM APPROPRIATIONS

ITEM NO.	PROG. ID	PROGRAM	EXPENDING AGENCY	APPROPRIATIONS	
				FISCAL YEAR 2017-2018	FISCAL YEAR 2018-2019
H. CULTURE AND RECREATION					
1.	UOH881 - AQUARIA				
	OPERATING		UOH	13.00* 714,962 A 7.00*	13.00* 714,962 A 7.00*
			UOH	3,117,141 B	3,117,141 B
			UOH	996,499 W	996,499 W
2.	AGS881 - STATE FOUNDATION ON CULTURE AND THE ARTS				
	OPERATING		AGS	0.50* 953,888 A 17.00* 1.00#	0.50* 1,518,888 A 17.00* 1.00#
			AGS	4,508,223 B 4.50*	4,508,223 B 4.50*
			AGS	756,802 N	756,802 N
			AGS	606,936 P	606,936 P
	INVESTMENT CAPITAL		AGS	500,000 C	C
3.	AGS818 - KING KAMEHAMEHA CELEBRATION COMMISSION				
	OPERATING		AGS	* A 1.00#	1.00* 47,832 A 1.00#
			AGS	67,274 T	67,274 T
4.	LNR802 - HISTORIC PRESERVATION				
	OPERATING		LNR	23.00* 2,084,310 A 2.00*	32.00* 2,522,279 A 2.00*
			LNR	350,509 B 7.00*	650,509 B 6.00*
			LNR	618,813 N	534,013 N
	INVESTMENT CAPITAL		LNR	C	125,000 C
5.	LNR804 - FOREST AND OUTDOOR RECREATION				
	OPERATING		LNR	29.50* 1,570,467 A 6.50*	29.50* 1,570,467 A 6.50*
			LNR	1,155,431 B 6.00*	1,155,431 B 6.00*
			LNR	14.00# 3,588,268 N *	13.00# 3,503,749 N 3.00*
			LNR	3.00# 637,857 W	0.00# 637,857 W
	INVESTMENT CAPITAL		LNR	998,000 C	1,390,000 C
6.	LNR805 - DISTRICT RESOURCE MANAGEMENT				
	OPERATING		LNR	15.00* 814,224 A 0.25#	19.00* 933,696 A 0.25#
			LNR	101,456 B 0.75#	101,456 B 0.75#
			LNR	1,830,000 N	1,920,000 N
7.	LNR806 - PARKS ADMINISTRATION AND OPERATION				
	OPERATING		LNR	77.00* 5,858,422 A 48.00*	87.00* 5,917,242 A 48.00*

PROGRAM APPROPRIATIONS

ITEM NO.	PROG. ID	PROGRAM	EXPENDING AGENCY	APPROPRIATIONS	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
			LNR	10,055,537 B	10,055,537 B
			LNR	1,218,456 P	1,218,456 P
		INVESTMENT CAPITAL	LNR	11,029,000 C	9,300,000 C
			LNR	100,000 N	300,000 N
8.		LNR801 - OCEAN-BASED RECREATION			
		OPERATING	LNR	10.00* 621,987 A 117.00*	10.00* 621,987 A 117.00*
			LNR	20,189,440 B	20,189,440 B
		INVESTMENT CAPITAL	LNR	1,500,000 N	1,500,000 N
			LNR	9,300,000 C	5,600,000 C
			LNR	15,500,000 N	N
9.		AGS889 - SPECTATOR EVENTS AND SHOWS - ALOHA STADIUM			
				38.50*	36.50*
				2.00#	1.00#
		OPERATING	AGS	9,339,347 B	9,116,743 B
		INVESTMENT CAPITAL	AGS	10,000,000 C	C
I. PUBLIC SAFETY					
1.		PSD402 - HALAWA CORRECTIONAL FACILITY			
		OPERATING	PSD	410.00* 28,263,615 A	411.00* 28,300,923 A
			PSD	28,719 W	28,719 W
2.		PSD403 - KULANI CORRECTIONAL FACILITY			
		OPERATING	PSD	76.00* # 5,393,229 A	77.00* 1.00# 6,067,149 A
3.		PSD404 - WAIAWA CORRECTIONAL FACILITY			
		OPERATING	PSD	111.00* # 7,009,202 A	112.00* 1.00# 7,183,122 A
			PSD	15,000 W	15,000 W
4.		PSD405 - HAWAII COMMUNITY CORRECTIONAL CENTER			
		OPERATING	PSD	168.00* 10,139,501 A	169.00* 10,324,021 A
5.		PSD406 - MAUI COMMUNITY CORRECTIONAL CENTER			
		OPERATING	PSD	186.00* 11,594,286 A	187.00* 11,659,806 A
			PSD	3.00# 209,721 S	3.00# 209,721 S
6.		PSD407 - OAHU COMMUNITY CORRECTIONAL CENTER			
		OPERATING	PSD	503.00* 35,208,404 A	501.00* 35,192,024 A
			PSD	30,000 W	30,000 W
7.		PSD408 - KAUAI COMMUNITY CORRECTIONAL CENTER			
		OPERATING	PSD	73.00* 4,575,656 A	74.00* 4,641,176 A
8.		PSD409 - WOMEN'S COMMUNITY CORRECTIONAL CENTER			
		OPERATING	PSD	133.00* 7,748,382 A	134.00* 7,813,902 A

PROGRAM APPROPRIATIONS

ITEM NO.	PROG. ID	PROGRAM	EXPENDING AGENCY	APPROPRIATIONS	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
9.	PSD410 -	INTAKE SERVICE CENTERS			
	OPERATING		PSD	61.00* 3,777,940 A	61.00* 3,777,940 A
10.	PSD420 -	CORRECTIONS PROGRAM SERVICES			
	OPERATING		PSD	169.00* 22,974,553 A	164.00* 22,725,733 A
			PSD	1,015,989 N	1,015,989 N
11.	PSD421 -	HEALTH CARE			
	OPERATING		PSD	200.60* 24,849,827 A	197.60* 27,573,693 A
12.	PSD422 -	HAWAII CORRECTIONAL INDUSTRIES			
	OPERATING		PSD	2.00* 42.00# 10,232,054 W	2.00* 42.00# 10,232,054 W
13.	PSD808 -	NON-STATE FACILITIES			
	OPERATING		PSD	9.00* 51,033,420 A	9.00* 52,688,619 A
14.	PSD502 -	NARCOTICS ENFORCEMENT			
	OPERATING		PSD	12.00* 1,096,113 A	12.00* 1,189,214 A
			PSD	8.00* 937,850 W	8.00* 937,850 W
			PSD	200,000 P	200,000 P
15.	PSD503 -	SHERIFF			
	OPERATING		PSD	318.00* 20,096,803 A	312.00* 19,935,693 A
			PSD	600,000 N	600,000 N
			PSD	59.00* 6,589,465 U	59.00* 6,589,465 U
16.	PSD611 -	ADULT PAROLE DETERMINATIONS			
	OPERATING		PSD	6.00* 405,937 A	7.00* 433,069 A
17.	PSD612 -	ADULT PAROLE SUPERVISION AND COUNSELING			
	OPERATING		PSD	62.00* 4,327,092 A	61.00* 4,299,960 A
18.	PSD613 -	CRIME VICTIM COMPENSATION COMMISSION			
	OPERATING		PSD	5.00* 468,000 A	5.00* 468,000 A
			PSD	8.00* 2,113,547 B	8.00* 2,113,547 B
			PSD	1.00# 859,315 P	1.00# 859,315 P
19.	PSD900 -	GENERAL ADMINISTRATION			
	OPERATING		PSD	139.00* 17,777,073 A	135.00* 17,238,665 A
			PSD	971,277 B	971,277 B
			PSD	75,065 T	75,065 T
	INVESTMENT CAPITAL		AGS	78,360,000 C	44,500,000 C
			PSD	350,000 C	C

PROGRAM APPROPRIATIONS

ITEM NO.	PROG. ID	PROGRAM	EXPENDING AGENCY	APPROPRIATIONS	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
20.	ATG231	STATE CRIMINAL JUSTICE INFORMATION AND IDENTIFICATION			
	OPERATING		ATG	25.50* 2,204,742A	25.50* 2,299,742A
			ATG	23.50* 3,446,804W	23.50* 3,446,804W
			ATG	5.00# 1,460,300P	4.00# 1,412,300P
21.	LNR810	PREVENTION OF NATURAL DISASTERS			
	OPERATING		LNR	7.50* 2,250,203B	8.00* 2,325,381B
			LNR	0.50* 370,602P	0.00* 310,700P
22.	DEF110	AMELIORATION OF PHYSICAL DISASTERS			
	OPERATING		DEF	132.35* 41.50# 15,829,168A	134.00* 43.25# 17,202,156A
			DEF	9.50* 14.00# 24,759,428N	9.50* 14.00# 10,759,428N
	INVESTMENT CAPITAL		DEF	92.15* 45.50# 81,489,768P	95.50* 44.75# 67,517,270P
			AGS	5,828,000C	8,612,000C
			DEF	3,024,000C	3,292,000C
			TRN	1,000,000C	C
			AGS	1,000N	1,000N
			DEF	11,089,000P	11,969,000P

J. INDIVIDUAL RIGHTS

1.	CCA102	CABLE TELEVISION			
	OPERATING		CCA	8.00* 2,609,370B	8.00* 2,609,370B
			CCA	T	7,920,000T
2.	CCA103	CONSUMER ADVOCATE FOR COMMUNICATION, UTILITIES, AND TRANSPORTATION SERVICES			
	OPERATING		CCA	24.00* 4,230,174B	23.00* 4,138,705B
3.	CCA104	FINANCIAL SERVICES REGULATION			
	OPERATING		CCA	39.00* 4,836,792B	40.00* 4,979,192B
			CCA	110,000T	110,000T
4.	CCA105	PROFESSIONAL AND VOCATIONAL LICENSING			
	OPERATING		CCA	60.00* 11.00# 7,085,895B	61.00* 11.00# 7,237,383B
			CCA	8.00* 5.00# 2,545,287T	8.00* 5.00# 2,619,887T
5.	CCA106	INSURANCE REGULATORY SERVICES			
	OPERATING		CCA	95.00* 1.00# 18,049,753B	95.00* 1.00# 18,119,862B

PROGRAM APPROPRIATIONS

ITEM NO.	PROG. ID	PROGRAM	EXPENDING AGENCY	APPROPRIATIONS	
				FISCAL M YEAR O 2017-2018	FISCAL M YEAR O 2018-2019
			CCA	200,000 T 4.00 #	200,000 T 6.00 #
			CCA	250,000 P	1,460,906 P
6.	CCA107 -	POST-SECONDARY EDUCATION AUTHORIZATION		2.00 *	2.00 *
	OPERATING		CCA	288,611 B	288,611 B
7.	CCA901 -	PUBLIC UTILITIES COMMISSION		65.00 *	65.00 *
	OPERATING		CCA	15,753,197 B	15,249,248 B
8.	CCA110 -	OFFICE OF CONSUMER PROTECTION		18.00 *	18.00 *
	OPERATING		CCA	2,543,459 B	2,605,494 B
			CCA	100,681 T	100,681 T
9.	AGR812 -	MEASUREMENT STANDARDS		6.00 *	6.00 *
	OPERATING		AGR	378,317 A	378,317 A
			AGR	451,000 B	451,000 B
10.	CCA111 -	BUSINESS REGISTRATION AND SECURITIES REGULATION		71.00 *	71.00 *
	OPERATING		CCA	8,400,118 B	8,067,420 B
11.	CCA112 -	REGULATED INDUSTRIES COMPLAINTS OFFICE		66.00 *	66.00 *
	OPERATING		CCA	7,167,144 B	7,167,144 B
12.	CCA191 -	GENERAL SUPPORT		44.00 *	45.00 *
	OPERATING		CCA	8,110,870 B	8,195,600 B
13.	AGS105 -	ENFORCEMENT OF INFORMATION PRACTICES		8.50 *	8.50 *
	OPERATING		AGS	576,855 A	676,855 A
14.	BUF151 -	OFFICE OF THE PUBLIC DEFENDER		137.50 *	139.50 *
	OPERATING		BUF	11,825,043 A	11,901,923 A
15.	LNR111 -	CONVEYANCES AND RECORDINGS		58.00 *	58.00 *
	OPERATING		LNR	6,498,148 B	6,848,148 B
16.	HMS888 -	COMMISSION ON THE STATUS OF WOMEN		1.00 *	1.00 *
	OPERATING		HMS	168,324 A	168,324 A

PROGRAM APPROPRIATIONS

ITEM NO.	PROG. ID	PROGRAM	EXPENDING AGENCY	APPROPRIATIONS	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
K. GOVERNMENT-WIDE SUPPORT					
1.	GOV100	OFFICE OF THE GOVERNOR		23.00*	22.00*
	OPERATING		GOV	22.00# 3,462,635 A	22.00# 3,462,635 A
2.	LTG100	OFFICE OF THE LIEUTENANT GOVERNOR		3.00*	3.00*
	OPERATING		LTG	11.00# 1,061,626 A	10.00# 940,566 A
3.	BED144	STATEWIDE PLANNING AND COORDINATION		13.00*	14.00*
	OPERATING		BED	2.00# 1,456,015 A	3.00# 1,647,349 A
	INVESTMENT CAPITAL		BED	5.00* 6.00# 2,385,688 N	5.00* 6.00# 2,385,688 N
			BED	2,000,000 W	2,000,000 W
			BED	1,500,000 C	C
4.	BED103	STATEWIDE LAND USE MANAGEMENT		7.00*	7.00*
	OPERATING		BED	629,530 A	654,916 A
5.	BED130	ECONOMIC PLANNING AND RESEARCH		14.00*	14.00*
	OPERATING		BED	0.96# 1,223,368 A	0.00# 1,486,552 A
6.	BUF101	DEPARTMENTAL ADMINISTRATION AND BUDGET DIVISION		47.00*	47.00*
	OPERATING		BUF	2.00# 42,325,867 A	0.00# 11,688,569 A
			BUF	855 U	0 U
7.	BUF102	COLLECTIVE BARGAINING STATEWIDE			
	OPERATING		BUF	93,444 B	0 B
8.	BUF103	VACATION PAYOUT - STATEWIDE			
	OPERATING		BUF	9,700,000 A	9,700,000 A
9.	AGS871	CAMPAIGN SPENDING COMMISSION		5.00*	5.00*
	OPERATING		AGS	505,585 A	505,585 A
			AGS	308,062 T	308,062 T
10.	AGS879	OFFICE OF ELECTIONS		17.50*	17.50*
	OPERATING		AGS	8.44# 3,546,926 A	8.44# 3,071,898 A
			AGS	0.50* 1.00# 99,694 N	0.50* 1.00# 99,694 N
11.	TAX100	COMPLIANCE		194.00*	192.00*
	OPERATING		TAX	5.00# 11,148,106 A	5.00# 11,152,990 A

PROGRAM APPROPRIATIONS

ITEM NO.	PROG. ID	PROGRAM	EXPENDING AGENCY	APPROPRIATIONS	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
12.	TAX105	TAX SERVICES AND PROCESSING		118.00 *	132.00 *
				120.00 #	107.00 #
	OPERATING		TAX	6,747,461 A	6,773,939 A
13.	TAX107	SUPPORTING SERVICES - REVENUE COLLECTION		74.00 *	74.00 *
				12.00 #	18.00 #
	OPERATING		TAX	9,397,633 A	10,172,633 A
				7.00 #	13.00 #
	INVESTMENT CAPITAL		TAX	1,072,669 B	2,914,547 B
			TAX	500,000 C	16,546,000 C
14.	AGS101	ACCOUNTING SYSTEM DEVELOPMENT AND MAINTENANCE		12.00 *	9.00 *
				#	3.00 #
	OPERATING		AGS	833,393 A	1,047,665 A
15.	AGS102	EXPENDITURE EXAMINATION		18.00 *	16.00 *
				#	2.00 #
	OPERATING		AGS	1,262,649 A	1,332,567 A
16.	AGS103	RECORDING AND REPORTING		13.00 *	13.00 *
	OPERATING		AGS	915,088 A	915,088 A
17.	AGS104	INTERNAL POST AUDIT		7.00 *	7.00 *
				#	3.00 #
	OPERATING		AGS	569,913 A	887,913 A
18.	BUF115	FINANCIAL ADMINISTRATION		14.00 *	15.00 *
	OPERATING		BUF	2,064,713 A	2,128,997 A
				9.00 *	9.00 *
			BUF	11,684,692 T	11,684,692 T
				1.00 *	0.00 *
			BUF	109,819 U	0 U
19.	BUF721	DEBT SERVICE PAYMENTS - STATE			
	OPERATING		BUF	338,492,084 A	364,437,306 A
20.	ATG100	LEGAL SERVICES		240.81 *	252.92 *
				23.52 #	23.02 #
	OPERATING		ATG	29,544,211 A	27,648,606 A
				24.60 *	24.60 *
			ATG	3,837,146 B	3,859,396 B
				5.20 *	5.20 *
				10.95 #	7.70 #
			ATG	11,816,776 N	11,628,390 N
			ATG	3,943,508 T	3,943,508 T
				112.61 *	110.56 *
				28.50 #	28.50 #
			ATG	17,350,118 U	17,122,482 U
				4.90 *	4.90 *
				1.00 #	1.00 #
			ATG	3,261,465 W	3,261,465 W
				12.66 *	18.60 *
				2.50 #	2.50 #
			ATG	3,593,007 P	4,091,332 P

PROGRAM APPROPRIATIONS

ITEM NO.	PROG. ID	PROGRAM	EXPENDING AGENCY	APPROPRIATIONS	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
21.	AGS130	- ENTERPRISE TECHNOLOGY SERVICES - GOVERNANCE AND INNOVATION			
				35.00*	35.00*
				16.00#	13.00#
	OPERATING		AGS	20,073,454A	19,432,134A
				7.00*	7.00*
			AGS	1,312,673B	1,312,673B
			AGS	25,000,000U	3,000,000U
	INVESTMENT CAPITAL		AGS	900,000C	C
22.	AGS131	- ENTERPRISE TECHNOLOGY SERVICES - OPERATIONS AND INFRA-STRUCTURE MAINTENANCE			
				92.00*	92.00*
	OPERATING		AGS	14,385,393A	14,505,393A
				1.00#	1.00#
			AGS	168,420B	168,420B
				33.00*	33.00*
			AGS	3,312,584U	3,312,584U
	INVESTMENT CAPITAL		AGS	900,000C	5,050,000C
23.	AGS111	- ARCHIVES - RECORDS MANAGEMENT			
				16.00*	16.00*
	OPERATING		AGS	944,531A	944,531A
				3.00*	3.00*
			AGS	514,436B	779,436B
24.	AGS891	- ENHANCED 911 BOARD			
				2.00#	2.00#
	OPERATING		AGS	16,800,000B	9,000,000B
25.	HRD102	- WORKFORCE ATTRACTION, SELECTION, CLASSIFICATION, AND EFFECTIVENESS			
				88.00*	88.00*
	OPERATING		HRD	18,096,333A	18,346,333A
			HRD	700,000B	700,000B
				1.00*	1.00*
			HRD	5,061,281U	5,061,281U
26.	HRD191	- SUPPORTING SERVICES - HUMAN RESOURCES DEVELOPMENT			
				9.00*	9.00*
	OPERATING		HRD	1,432,164A	1,432,164A
27.	BUF141	- EMPLOYEES' RETIREMENT SYSTEM			
				107.00*	108.00*
	OPERATING		BUF	17,279,607X	18,009,878X
28.	BUF143	- HAWAII EMPLOYER UNION TRUST FUND			
				58.00*	59.00*
	OPERATING		BUF	7,584,071T	7,776,516T
29.	BUF741	- RETIREMENT BENEFITS - STATE			
	OPERATING		BUF	351,591,964A	331,025,797A
			BUF	10,865,887U	10,865,887U
30.	BUF761	- HEALTH PREMIUM PAYMENTS - STATE			
	OPERATING		BUF	560,358,083A	672,830,710A

PROGRAM APPROPRIATIONS

ITEM NO.	PROG. ID	PROGRAM	EXPENDING AGENCY	APPROPRIATIONS	
				FISCAL YEAR 2017-2018	FISCAL YEAR 2018-2019
31.	LNR101 - PUBLIC LANDS MANAGEMENT				
	OPERATING		LNR	1.00* 97,250 A	0.00* 0 A
				56.00*	56.00*
	INVESTMENT CAPITAL		LNR	21,183,801 B	23,219,430 B
			LNR	B	3,000,000 B
			LNR	2,250,000 C	4,500,000 C
			LNR	N	6,000,000 N
			LNR	R	4,650,000 R
			LNR	S	1,000,000 S
			LNR	T	1,150,000 T
32.	AGS203 - STATE RISK MANAGEMENT AND INSURANCE ADMINISTRATION				
	OPERATING		AGS	9,987,995 A	9,987,995 A
				4.00*	4.00*
			AGS	25,359,911 W	25,359,911 W
33.	AGS211 - LAND SURVEY				
	OPERATING		AGS	10.00* 713,504 A	10.00* 713,504 A
			AGS	285,000 U	285,000 U
34.	AGS223 - OFFICE LEASING				
	OPERATING		AGS	4.00* 10,118,959 A	4.00* 10,118,959 A
			AGS	5,500,000 U	5,500,000 U
35.	AGS221 - PUBLIC WORKS - PLANNING, DESIGN, AND CONSTRUCTION				
				16.00*	91.00*
	OPERATING		AGS	# 1,394,956 A	3.00# 7,164,343 A
			AGS	4,000,000 W	4,000,000 W
	INVESTMENT CAPITAL		AGS	6,128,000 A	0 A
			AGS	36,669,000 C	19,063,000 C
36.	AGS231 - CENTRAL SERVICES - CUSTODIAL SERVICES				
				123.00*	123.00*
	OPERATING		AGS	2.00# 19,454,172 A	2.00# 19,677,417 A
			AGS	58,744 B	58,744 B
			AGS	1,699,084 U	1,699,084 U
37.	AGS232 - CENTRAL SERVICES - GROUNDS MAINTENANCE				
	OPERATING		AGS	27.00* 1,823,826 A	30.00* 1,987,251 A
38.	AGS233 - CENTRAL SERVICES - BUILDING REPAIRS AND ALTERATIONS				
	OPERATING		AGS	33.00* 3,197,735 A	33.00* 3,197,735 A
			AGS	100,000 U	100,000 U
39.	AGS240 - STATE PROCUREMENT				
	OPERATING		AGS	22.00* 1,395,147 A	24.00* 2,124,119 A
40.	AGS244 - SURPLUS PROPERTY MANAGEMENT				
	OPERATING		AGS	5.00* 1,848,249 W	5.00* 1,848,249 W
41.	AGS251 - AUTOMOTIVE MANAGEMENT - MOTOR POOL				
	OPERATING		AGS	13.00* 2,961,930 W	13.00* 2,961,930 W

PROGRAM APPROPRIATIONS

ITEM NO.	PROG. ID	PROGRAM	EXPENDING AGENCY	APPROPRIATIONS	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
42.	AGS252 -	AUTOMOTIVE MANAGEMENT - PARKING CONTROL			
	OPERATING		AGS	27.00* 3,744,590 W	27.00* 3,744,590 W
43.	AGS901 -	GENERAL ADMINISTRATIVE SERVICES			
	OPERATING		AGS	34.00* # 3,099,711 A 2.00* 179,592 U	36.00* 1.00# 3,325,168 A 2.00* 179,592 U
44.	SUB201 -	CITY AND COUNTY OF HONOLULU INVESTMENT CAPITAL	CCH TRN	1,500,000 C 13,000,000 C	C C
45.	SUB401 -	COUNTY OF MAUI INVESTMENT CAPITAL	COM COM	5,000,000 C 1,000,000 S	6,500,000 C 1,000,000 S
46.	SUB501 -	COUNTY OF KAUAI INVESTMENT CAPITAL	COK	3,500,000 C	C"

SECTION 4. Part III, Act 49, Session Laws of Hawaii 2017, is amended:

(1) By adding a new section to read as follows:

“SECTION 5.1 Provided that of the special fund appropriation for plant, pest, and disease control (AGR122), the sum of \$500,000 for fiscal year 2018-2019 from the agricultural development and security special fund shall be transferred by the department of agriculture to University of Hawaii college of tropical agriculture and human resources (UH CTAHR) for the implementation of pest management practices in production areas including but not limited to potted plants, cut-flowers, herbs, vegetables, and tropical fruits; provided further that a report describing each commodity group’s current level of pest infestation, scope of work, list of expenditures, and post- level of pest infestation shall be submitted to the legislature thirty days prior to the convening of the 2019 regular session.”

(2) By adding a new section to read as follows:

“SECTION 5.2 Provided that of the special fund appropriation for plant, pest, and disease control (AGR122), the sum of \$100,000 for fiscal year 2018-2019 from the agricultural development and security special fund shall be transferred by the department of agriculture to University of Hawaii college of tropical agriculture and human resources (UH CTAHR) for the development and implementation of enhanced tools for diagnostics to quickly and reliably identify new disease pathogens affecting agriculture; provided further that the department of agriculture shall submit a report on its progress to the legislature thirty days prior to the convening of the 2019 regular session.”

(3) By adding a new section to read as follows:

“SECTION 5.3 Provided that of the special fund appropriation for plant, pest, and disease control (AGR122), the sum of \$200,000 for fiscal year 2018-2019 from the agricultural development and security special fund shall be expended for risk assessments performed statewide to update the list of high-risk imported commodities based on:

(1) number of interceptions;

(2) number of treated, destroyed, or refused entry shipments; and

(3) number of not-known-to-occur organisms;

provided further that the department of agriculture shall submit a report on its progress to the legislature thirty days prior to the convening of the 2019 regular session.”

(4) By adding a new section to read as follows:

“SECTION 5.4 Provided that of the special fund appropriation for plant, pest, and disease control (AGR122), the sum of \$100,000 for fiscal year 2018-2019 from the agricultural development and security special fund shall be expended for public and agriculture industry education activities in coordination with agricultural commodity associations; provided further that the department of agriculture shall submit a report on its progress to the legislature thirty days prior to the convening of the 2019 regular session.”

(5) By adding a new section to read as follows:

“SECTION 5.5 Provided that of the special fund appropriation for agricultural development and marketing (AGR171), the sum of \$200,000 or so much thereof as may be necessary for fiscal year 2018-2019 from the agricultural development and security special fund shall be expended by the department of agriculture in coordination with agricultural commodity organizations involved with herbs, vegetables, and tropical fruits, for research, importation, evaluation, and distribution of new germplasm necessary to replace high-risk produce and vegetables brought into the State; provided further that the department of agriculture shall submit a report on its progress to the legislature thirty days prior to the convening of the 2019 regular session.”

(6) By adding a new section to read as follows:

“SECTION 5.6 Provided that of the special fund appropriation for agricultural development and marketing (AGR171), the sum of \$100,000 or so much thereof as may be necessary for fiscal year 2018-2019 from the agricultural development and security special fund shall be expended by the department of agriculture in coordination with agricultural commodity organizations for the development of quarantine treatments for snails and slugs; provided further that the department of agriculture shall submit a report on its progress to the legislature thirty days prior to the convening of the 2019 regular session.”

(7) By adding a new section to read as follows:

“SECTION 5.7 Provided that of the special fund appropriation for agricultural development and marketing (AGR171), the sum of \$250,000 or so much thereof as may be necessary for fiscal year 2018-2019 from the agricultural development and security special fund shall be transferred by the department of agriculture to National Agriculture Statistic Service (NASS) for the preparation of NASS surveys; provided further that the department of agriculture shall submit a report on its progress to the legislature thirty days prior to the convening of the 2019 regular session.”

(8) By adding a new section to read as follows:

“SECTION 6.1 Provided that of the general fund appropriation for natural energy laboratory of Hawaii authority (BED146), the sum of \$500,000 or so much thereof as may be necessary for fiscal year 2018-2019 shall be expended for the creation of an aquaculture accelerator/incubator initiative; provided further that the natural energy laboratory of Hawaii authority shall work with the department of agriculture and the agribusiness development corporation to create the framework for the aquaculture accelerator/incubator initiative; and provided further that any funds not expended in fiscal year 2018-2019 for this purpose shall lapse to the general fund.”

(9) By adding a new section to read as follows:

“SECTION 6.2 Provided that the transit-oriented development and special planning projects planner VI (position number 00100927) is transferred from Hawaii housing finance and development corporation (BED160) to state-wide planning and coordination (BED144); provided further that the employee whose functions are transferred by this Act shall retain their civil service status, whether permanent or temporary; provided further that the employee shall be transferred without loss of salary, seniority (except as prescribed by applicable collective bargaining agreements), retention points, prior service credit, any vacation and sick leave credits previously earned, and other rights, benefits, and privileges, in accordance with state personnel laws and this Act; provided further that the employee possess the minimum qualifications and public employment requirements for the class or position to which transferred or appointed, as applicable; provided further that subsequent changes in status may be made pursuant to applicable civil service and compensation laws.

Any employee who, prior to this Act, is exempt from civil service and is transferred as a consequence of this Act may retain the employee’s exempt status, but shall not be appointed to a civil service position as a consequence of this Act. An exempt employee who is transferred by this Act shall not suffer any loss of prior service credit, vacation or sick leave credits previously earned, or other employee benefits or privileges as a consequence of this Act; provided that the employee possess legal and public employment requirements for the position to which transferred or appointed, as applicable; provided further that subsequent changes in status may be made pursuant to applicable employment and compensation laws.”

(10) By amending section 8 to read:

“SECTION 8. Provided that of the special fund appropriation for highways administration (TRN595):

- (1) \$500,000 for fiscal year 2017-2018 [and the same sum for fiscal year 2018-2019] shall be granted to the city and county of Honolulu department of transportation services to operate a van pool program on Oahu;
- (2) The city and county of Honolulu department of transportation services shall submit to the state department of transportation and legislature a plan for the use of the grant before any expenditure or obligation is made by the state department of transportation for the van pool program. The plan shall be submitted at least thirty days prior to the city and county of Honolulu department of transportation services’ expenditure or obligation of any portion of the grant; and
- (3) The city and county of Honolulu department of transportation services shall submit [two reports] a report to the state department of transportation and legislature on the use of the grant with statistics on expenditures, usage, benefits, and costs. The [first] report shall cover fiscal year 2017-2018 and shall be submitted no later than twenty days prior to the convening of the regular session of 2019. [The second report shall cover fiscal year 2018-2019 and shall be submitted no later than twenty days prior to the convening of the regular session of 2020.]”

(11) By adding a new section to read as follows:

“SECTION 11.1 Provided that of the general fund appropriation for ecosystem protection and restoration (LNR401), the sum of \$500,000 or so much thereof as may be necessary for fiscal year 2018-2019 shall be expended for mangrove remediation to address flood control issues along the shoreline of the

Honouliuli and Hoaeae ahupuaa; provided further that any funds not expended in fiscal year 2018-2019 for this purpose shall lapse to the general fund.”

(12) By adding a new section to read as follows:

“SECTION 14.1 Provided that of the general fund appropriation for general administration (HTH907), the sum of \$1,000,000 or so much thereof as may be necessary for fiscal year 2018-2019 shall be expended for the family medicine office practice and team-based training outpatient center which will serve as the family medicine officer practice for the John A. Burns school of medicine family residency program. The legislature finds and declares that the appropriation is in the public interest and for the public’s health, safety and general welfare of the State.”

(13) By adding a new section to read as follows:

“SECTION 15.1 Provided that of the general fund appropriation for homeless services (HMS224), the sum of \$5,000,000 or so much thereof as may be necessary for fiscal year 2018-2019 shall be expended for stored property and debris removal activities for state lands, including notification, equipment, and enforcement costs; provided further that, with the governor’s approval, the funds may be transferred to other departments as needed to facilitate stored property and debris removal activities.”

(14) By adding a new section to read as follows:

“SECTION 16.1 Provided that of the general fund appropriation for executive office on aging (HTH904), the sum of \$1,200,000 or so much thereof as may be necessary for fiscal year 2018-2019 shall be expended for the kupuna caregivers program; provided further that the executive office on aging shall limit the benefits for each qualified recipient to once per week.”

(15) By adding a new section to read as follows:

“SECTION 16.2 Provided that of the general fund appropriation for school-based budgeting (EDN100), the sum of \$670,830 or so much thereof as may be necessary for fiscal year 2018-2019 shall be expended to establish a new alternative learning center in the Waianae complex.”

(16) By adding a new section to read as follows:

“SECTION 16.3 Provided that of the general fund appropriation for state administration (EDN300), the sum of \$1,100,000 or so much thereof as may be necessary for fiscal year 2018-2019 shall be expended to support the existing alternative teacher preparation program that provides recruitment, certification, and professional development services to strengthen the pipeline of teachers and leaders in underserved communities; provided further that any funds not expended in fiscal year 2018-2019 for this purpose shall lapse to the general fund.”

(17) By amending section 20 to read as follows:

“SECTION 20. Provided that of the trust funds held outside the state treasury by the Time Warner trust fund (also known as the Charter Communications trust fund) for institutional network purposes under cable television (CCA102), the sum of \$7,920,000 or so much thereof as may be necessary for fiscal year ~~2017-2018~~ 2018-2019 shall be transferred to the department of education and expended as follows:

- (1) \$992,000 or so much thereof as may be necessary shall be expended for upgrading the equipment to transport network traffic among the islands of Kauai, Oahu, Maui, and Hawaii;
- (2) \$293,000 or so much thereof as may be necessary shall be expended for the addition of fiber between strategic institutional network sites and bypass points;
- (3) \$2,135,000 or so much thereof as may be necessary shall be expended for additional fiber in the Hilo area on island of Hawaii and from Kihei to Wailuku on the island of Maui; and

- (4) \$4,500,000 or so much thereof as may be necessary shall be expended to upgrade or replace fiber connectivity and associated telecommunications equipment in schools to increase bandwidth.”

- (18) By amending section 25 to read as follows:

“SECTION 25. Provided that of the general fund appropriations for debt service payments (BUF721-BUF728), the following sums specified in fiscal biennium 2017-2019 shall be expended for principal and interest payments on general obligation bonds only as follows:

<u>Program I.D.</u>	<u>FY 2017-2018</u>	<u>FY 2018-2019</u>
BUF721	\$338,492,084	[\$371,371,216]
		\$364,437,306
BUF725	\$291,897,733	[\$320,250,963]
		\$314,271,526
BUF728	\$108,030,960	[\$118,524,452;]
		\$116,311,471;

provided further that unrequired balances may be transferred only to retirement benefits payments (BUF741-BUF748) and health premium payments (BUF761-BUF768); provided further that the funds shall not be expended for any other purpose; and provided further that any unexpended funds shall lapse into the general fund at the end of the respective fiscal year for which the appropriation was made.”

- (19) By adding a new section to read as follows:

“SECTION 25.1 Provided that of the general fund appropriation for legal services (ATG100), the sum of \$2,000,000 or so much thereof as may be necessary for fiscal year 2018-2019 shall be expended for litigation expenses to investigate cases, conduct discovery, and hire experts; provided further that any funds not expended in fiscal year 2018-2019 for this purpose shall lapse to the general fund.”

- (20) By amending section 26 to read as follows:

“SECTION 26. Provided that of the general fund appropriations for retirement benefits payments (BUF741-BUF748), the following sums specified in fiscal biennium 2017-2019 shall be expended for the state employer’s share of the employee’s retirement pension accumulation and the social security/medicare payment for employees only as follows:

<u>Program I.D.</u>	<u>FY 2017-2018</u>	<u>FY 2018-2019</u>
BUF741	\$351,591,964	[\$374,691,719]
		\$331,025,797
BUF745	\$333,274,304	[\$353,501,280]
		\$354,408,234
BUF748	\$153,287,636	[\$162,573,933;]
		\$162,857,166;

provided further that unrequired balances may be transferred only to debt service payments (BUF721-BUF728) and health premium payments (BUF761-BUF768); provided further that the funds shall not be expended for any other purpose; and provided further that any unexpended funds shall lapse into the general fund at the end of the respective fiscal year for which the appropriation was made.”

- (21) By amending section 28 to read as follows:

“SECTION 28. Provided that of the general fund appropriations for health premium payments (BUF761-BUF768), the following sums specified in fiscal biennium 2017-2019 shall be expended for the state employer’s share of health premiums for active employees and retirees only as follows:

<u>Program I.D.</u>	<u>FY 2017-2018</u>	<u>FY 2018-2019</u>
BUF761	\$560,358,083	[\$659,490,415] <u>\$672,830,710</u>
BUF765	\$281,376,552	[\$303,989,698] <u>\$276,962,809</u>
BUF768	\$104,466,873	[\$112,337,655;] <u>\$102,258,425;</u>

provided further that unrequired balances may be transferred only to debt service payments (BUF721-BUF728) and retirement benefits payments (BUF741-BUF748); provided further that the funds shall not be expended for any other purpose; and provided further that any unexpended funds shall lapse into the general fund at the end of the respective fiscal year for which the appropriation was made.”

SECTION 5. Part IV, Act 49, Session Laws of Hawaii 2017, is amended by amending section 30 to read as follows:

“SECTION 30. CAPITAL IMPROVEMENT PROJECTS AUTHORIZED. The sums of money appropriated or authorized in part II of this Act for capital improvements shall be expended for the projects listed below. Accounting of the appropriations by the department of accounting and general services shall be based on the projects as such projects are listed in this section. Several related or similar projects may be combined into a single project if such combination is advantageous or convenient for implementation; and provided further that the total cost of the projects thus combined shall not exceed the total of the sum specified for the projects separately. The amount after each cost element and the total funding for each project listed in this part are in thousands of dollars.

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL YEAR 2017-2018	FISCAL YEAR 2018-2019

“A. ECONOMIC DEVELOPMENT

AGR122 - PLANT PEST AND DISEASE CONTROL

1. **INVASIVE SPECIES TREATMENT UNITS, STATEWIDE**

CONSTRUCTION OF MOBILE HOT-WATER TREATMENT UNIT TO BE USED IN INVASIVE SPECIES INFESTED AGRICULTURAL AREAS AND PORTS STATEWIDE.

CONSTRUCTION	608	
TOTAL FUNDING	608 C	C

1.01. **BIOLOGICAL CONTROL CONTAINMENT FACILITY, OAHU**

PLANS FOR A NEW BIOLOGICAL CONTROL CONTAINMENT FACILITY FOR HOLDING OF ARTHROPODS, PLANT DISEASES AND PESTS FOR TESTING AND EVALUATION FOR SAFETY AND EFFICACY AGAINST AGRICULTURAL AND ENVIRONMENTAL PESTS.

PLANS	180	
TOTAL FUNDING	180 C	C

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL YEAR 2017-2018	FISCAL YEAR 2018-2019
AGR131 - RABIES QUARANTINE					
2.		DEPARTMENT OF AGRICULTURE FACILITIES, OAHU			
		PLANS FOR DEPARTMENT OF AGRICULTURE, REPLACEMENT OF HALAWA ANIMAL INDUSTRY FACILITIES TO KAPALAMA MILITARY RESERVATION, OAHU.			
		PLANS			1
		TOTAL FUNDING	AGS	C	1C
2.01.		RENOVATION OF KENNELS AT THE ANIMAL QUARANTINE STATION, OAHU			
		DESIGN OF RENOVATIONS TO KENNELS AT THE ANIMAL QUARANTINE STATION.			
		DESIGN			100
		TOTAL FUNDING	AGS	C	100C
AGR132 - ANIMAL DISEASE CONTROL					
2.02.		HALAWA ANIMAL INDUSTRY FACILITY IMPROVEMENTS, OAHU			
		PLANS AND DESIGN FOR IMPROVEMENTS TO THE ANIMAL INDUSTRY FACILITY IN HALAWA.			
		PLANS			200
		DESIGN			300
		TOTAL FUNDING	AGS	C	500C
LNR172 - FORESTRY - RESOURCE MANAGEMENT AND DEVELOPMENT					
3.		DIVISION OF FORESTRY AND WILDLIFE HAZARDOUS TREE MITIGATION, STATEWIDE			
		CONSTRUCTION FOR HAZARDOUS TREE MITIGATION IN FOREST RESERVES, GAME MANAGEMENT AREAS, NATURAL AREA RESERVES, AND WILDLIFE SANCTUARIES.			
		CONSTRUCTION		100	400
		TOTAL FUNDING	LNR	100C	400C
4.		PAIKO RIDGE CONSERVATION ZONE, OAHU			
		LAND ACQUISITION FOR PURCHASE OF A PORTION OF TMK 1-3-8-013-001-0000 ADJACENT TO KULIOUOU WATERSHED FOREST RESERVE AND HONOLULU WATERSHED FOREST RESERVE: THE BOUNDARIES TO BE BASED ON DUE DILIGENCE COMPLETED BY THE DEPARTMENT OF LAND AND NATURAL RESOURCES.			
		LAND		1,000	
		TOTAL FUNDING	LNR	1,000C	C

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
4.01.		HONUALUA FOREST RESERVE, HAWAII			
		PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR FENCE AND ACCESS ROAD IMPROVEMENTS.			
		PLANS			1
		LAND			1
		DESIGN			297
		CONSTRUCTION			1,000
		EQUIPMENT			1
		TOTAL FUNDING	LNR	C	1,300C
AGR141 - AGRICULTURAL RESOURCE MANAGEMENT					
5.		KAHUKU AGRICULTURAL PARK IMPROVEMENTS, OAHU			
		DESIGN FOR IMPROVEMENTS TO THE KAHUKU AGRICULTURAL PARK.			
		DESIGN		350	
		TOTAL FUNDING	AGR	350C	C
6.		PUNA AGRICULTURAL PARK, HAWAII			
		PLANS FOR A FEASIBILITY STUDY FOR AN AGRICULTURAL PARK IN THE PUNA DISTRICT TO PROVIDE ACCESS TO AGRICULTURAL LANDS FOR SMALL SCALE FARMERS.			
		PLANS		250	
		TOTAL FUNDING	AGR	250C	C
7.		PUU PULEHU RESERVOIR, HAWAII			
		PLANS, DESIGN, AND CONSTRUCTION OF A THROW AWAY DITCH AND DRAINAGE AREA IMPROVEMENTS, PLANNING, ENGINEERING, AND ENVIRONMENTAL PERMITTING.			
		PLANS		1	
		DESIGN		29	
		CONSTRUCTION		270	
		TOTAL FUNDING	AGR	300C	C
8.		WAIANAE AGRICULTURAL PARK, IMPROVEMENTS, OAHU			
		DESIGN AND CONSTRUCTION FOR IMPROVEMENTS TO THE WAIANAE AGRICULTURAL PARK.			
		DESIGN		50	
		CONSTRUCTION		450	
		TOTAL FUNDING	AGR	500C	C
9.		WAIMANALO IRRIGATION SYSTEM IMPROVEMENTS, OAHU			
		DESIGN AND CONSTRUCTION FOR IMPROVEMENTS TO THE WAIMANALO IRRIGATION SYSTEM.			
		DESIGN		240	1
		CONSTRUCTION		960	999
		TOTAL FUNDING	AGR	1,200C	1,000C

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL YEAR 2017-2018	FISCAL YEAR 2018-2019
10.		WAIMEA IRRIGATION SYSTEM IMPROVEMENTS, HAWAII			
		PLANS, DESIGN, AND EQUIPMENT FOR IMPROVEMENTS TO THE WAIMEA IRRIGATION SYSTEM.			
		PLANS		1	
		DESIGN		148	
		EQUIPMENT		1	
		TOTAL FUNDING	AGR	150C	C
10.01.		AGRICULTURAL INFRASTRUCTURE IMPROVEMENTS, STATEWIDE			
		PLANS, DESIGN, AND CONSTRUCTION FOR IMPROVEMENTS TO AGRICULTURAL INFRASTRUCTURE, STATEWIDE.			
		PLANS			1
		DESIGN			549
		CONSTRUCTION			2,200
		TOTAL FUNDING	AGR	C	2,750C
10.02.		EAST MAUI WATER SYSTEMS, MAUI			
		PLANS, DESIGN, AND CONSTRUCTION FOR IRRIGATION AND WATER DELIVERY SYSTEMS FOR AGRICULTURAL ENTERPRISES AND/OR AGRICULTURAL PURPOSES IN EAST MAUI. THE LEGISLATURE FINDS AND DECLARES THAT THE APPROPRIATION IS IN THE PUBLIC INTEREST AND FOR THE PUBLIC'S HEALTH, SAFETY AND GENERAL WELFARE OF THE STATE.			
		PLANS			1
		DESIGN			299
		CONSTRUCTION			1,200
		TOTAL FUNDING	AGR	C	1,500C
10.03.		EAST MAUI WATER SYSTEMS, MAUI			
		PLANS, DESIGN, AND CONSTRUCTION FOR WATER SYSTEMS IN EAST MAUI. THE LEGISLATURE FINDS AND DECLARES THAT THE APPROPRIATION IS IN THE PUBLIC INTEREST AND FOR THE PUBLIC'S HEALTH, SAFETY AND GENERAL WELFARE OF THE STATE.			
		PLANS			1
		DESIGN			599
		CONSTRUCTION			2,400
		TOTAL FUNDING	AGR	C	3,000C
10.04.		KAMUELA VACUUM COOLING PLANT, HAWAII			
		PLANS, DESIGN AND CONSTRUCTION FOR INFRASTRUCTURE AND BUILDING OF A POST-HARVEST FACILITY AND VACUUM COOLING PLANT.			
		PLANS			1
		DESIGN			149
		CONSTRUCTION			600
		TOTAL FUNDING	AGR	C	750C

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
AGR161 - AGRIBUSINESS DEVELOPMENT AND RESEARCH					
11.		AGRICULTURAL LAND, OAHU			
		PLANS, LAND ACQUISITION, AND DESIGN FOR LAND ACQUISITION ON OAHU: TMK(S) 6-5-01-14; 6-5-01-44 (POR); 6-5-05-02 (POR); 6-4-04-08; 6-4-04-06.			
		PLANS		1	
		LAND		23,750	
		DESIGN		1	
		TOTAL FUNDING	AGR	23,752	C
12.		PATHOLOGY GREENHOUSE, QUARANTINE HOUSE, AND GREENHOUSE, STATEWIDE			
		PLANS, DESIGN AND CONSTRUCTION FOR PATHOLOGY GREENHOUSE, QUARANTINE HOUSE, AND GREENHOUSE, STATEWIDE.			
		PLANS		1	
		DESIGN		1	
		CONSTRUCTION		498	
		TOTAL FUNDING	AGR	500	C
13.		STATE PACKING AND PROCESSING FACILITY, WHITMORE, OAHU			
		PLANS, DESIGN, CONSTRUCTION, AND EQUIPMENT TO CONSTRUCT A NEW POSTHARVEST FACILITY IN WHITMORE, OAHU.			
		PLANS		30	
		DESIGN		70	
		CONSTRUCTION		520	
		EQUIPMENT		30	
		TOTAL FUNDING	AGR	650	C
14.		WAIAHOLE WATER SYSTEM IMPROVEMENTS, KUNIA, OAHU			
		PLANS, DESIGN, CONSTRUCTION AND EQUIPMENT FOR IMPROVEMENTS TO THE WAIAHOLE WATER SYSTEM AND APPURTENANT WORKS.			
		PLANS		400	399
		DESIGN		400	400
		CONSTRUCTION		3,200	3,200
		EQUIPMENT			1
		TOTAL FUNDING	AGR	4,000	4,000
15.		WASTEWATER RECLAIMED WATER IRRIGATION SYSTEM, WAHIAWA, OAHU			
		PLANS AND DESIGN FOR A NEW WASTEWATER RECLAIMED WATER SYSTEM AT THE WAHIAWA WASTEWATER TREATMENT PLANT.			
		PLANS		1	
		DESIGN		499	
		TOTAL FUNDING	AGR	500	C

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
16.		AINA HO'OKUPU O KILAUEA, KAUAI			
		PLANS, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR A WATER SUPPLY LINE AND ON-SITE FILTER AND DISTRIBUTION SYSTEM. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.			
		PLANS		1	
		DESIGN		1	
		CONSTRUCTION		247	
		EQUIPMENT		1	
		TOTAL FUNDING	AGR	250	C
17.		WAIMEA NUI COMMUNITY DEVELOPMENT CORPORATION, HAWAII			
		PLANS, DESIGN, AND CONSTRUCTION FOR A COMMUNITY AGRICULTURAL PARK. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.			
		PLANS		1	
		DESIGN		1	
		CONSTRUCTION		798	
		TOTAL FUNDING	AGR	800	C
17.01.		AGRICULTURAL LAND, OAHU			
		PLANS, ACQUISITION OF EASEMENTS FOR DEEP WELLS AND ACQUISITION OF LANDS ON OAHU: TMK 6-5-002-006; 6-5-002-008; 6-5-002-027; 6-5-002-028 IN KAMANANUI, OAHU, AND DESIGN FOR DEEP WELLS AND LAND ACQUISITIONS FOR CULTIVATION AND IRRIGATION OF GALBRAITH, KAMANANUI, AND PAALAA UKA LANDS.			
		PLANS			2,350
		LAND			2,350
		TOTAL FUNDING	AGR		4,700
					C
17.02.		KEKAHA DITCH IRRIGATION SYSTEM MODIFICATION, KAUAI			
		PLANS, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR MODIFICATIONS TO THE KEKAHA DITCH IRRIGATION SYSTEM			
		PLANS			1
		DESIGN			718
		CONSTRUCTION			2,880
		EQUIPMENT			1
		TOTAL FUNDING	AGR		3,600
					C
AGR192 - GENERAL ADMINISTRATION FOR AGRICULTURE					
18.		DEPARTMENT OF AGRICULTURE, ROAD REPAIR AND MAINTENANCE, HAWAII			
		CONSTRUCTION FOR THE REPAIR AND MAINTENANCE OF STATE-OWNED ROADS BENEFITTING TENANTS AND PRODUCERS OF AGRICULTURAL PRODUCTS.			
		CONSTRUCTION		300	
		TOTAL FUNDING	AGR	300	B

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
19.		HAWAII AGRICULTURAL FOUNDATION, STATEWIDE			
		CONSTRUCTION AND EQUIPMENT FOR A FARMER COOPERATIVE AND STUDENT EDUCATION CENTER. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.			
		CONSTRUCTION		207	
		EQUIPMENT		1	
		TOTAL FUNDING AGS		208 C	C
20.		MISCELLANEOUS HEALTH, SAFETY, CODE, AND OTHER REQUIREMENTS, STATEWIDE			
		DESIGN AND CONSTRUCTION FOR IMPROVEMENTS TO ADDRESS HEALTH, SAFETY, CODE, AND OTHER REQUIREMENTS, STATEWIDE.			
		DESIGN		400	
		CONSTRUCTION		1,000	
		TOTAL FUNDING AGR		1,400 C	C
21.		SLAUGHTERHOUSE FACILITY, HAWAII			
		PLANS AND DESIGN FOR A SCALABLE AND REPLICABLE SLAUGHTERHOUSE TO MEET THE GROWING DEMAND FOR LOCAL GROWN MEAT. THE LEGISLATURE FINDS AND DECLARES THAT THE APPROPRIATION IS IN THE PUBLIC INTEREST AND FOR THE PUBLIC'S HEALTH, SAFETY AND GENERAL WELFARE OF THE STATE.			
		PLANS		1	
		DESIGN		1,499	
		TOTAL FUNDING AGR		1,500 C	C
BED143 - HIGH TECHNOLOGY DEVELOPMENT CORPORATION					
21.01.		FIRST RESPONDERS TECHNOLOGY CAMPUS AND CYBER SECURITY DATA CENTER, OAHU			
		PLANS, DESIGN, AND CONSTRUCTION FOR PRE-CONSTRUCTION COSTS. SCOPE TO INCLUDE LAND AND GRADING ON OAHU: TMK(S) 9-5-02-57.			
		PLANS		300	
		DESIGN		1,000	
		CONSTRUCTION		5,200	
		TOTAL FUNDING BED		C	6,500 C

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
21.02.		FIRST RESPONDERS TECHNOLOGY CAMPUS AND CYBER SECURITY DATA CENTER, OAHU			
		PLANS FOR THE DEVELOPMENT AND IMPLEMENTATION OF STATEWIDE SPACE NEEDS AND BUILDING ASSET MANAGEMENT MASTER PLANS FOR OPTIMIZATION OF STATE OCCUPIED FACILITIES AND STATE-OWNED PROPERTIES. SCOPE INCLUDES BUT IS NOT LIMITED TO SPACE UTILIZATION LAYOUTS, PLANNING FOR SPACE RENOVATION AND PROPERTY DEVELOPMENT, INCLUDING THE FIRST RESPONDERS TECHNOLOGY CAMPUS AND CYBER SECURITY DATA CENTER, AND ADDITIONAL STUDIES AS NEEDED TO ENSURE SUCCESSFUL IMPLEMENTATION.			
		PLANS		900	
		TOTAL FUNDING	BED	900C	C
BED146 - NATURAL ENERGY LABORATORY OF HAWAII AUTHORITY					
21.03.		IMPROVEMENTS AND UPGRADES TO SEAWATER SYSTEM, HAWAII			
		DESIGN, CONSTRUCTION AND EQUIPMENT FOR PUMPS AND ASSOCIATED HARDWARE INCLUDING RENEWABLE ENERGY AS WELL AS EQUIPMENT CONTROL AND MONITORING SOFTWARE WHICH PROVIDES SURFACE AND DEEP-SEA WATER THROUGHOUT THE HAWAII OCEAN SCIENCE AND TECHNOLOGY PARK (HOST PARK) LOCATED IN KAILUA KONA, HAWAII. ALSO ACCOMMODATIONS FOR TWO OTEC PLANTS.			
		DESIGN			1
		CONSTRUCTION			1,170
		EQUIPMENT			3,729
		TOTAL FUNDING	BED	D	4,900D
21.04.		KONA REGIONAL SEAWATER AIR CONDITIONING DISTRICT, HAWAII			
		PLANS AND DESIGN FOR A KONA, HAWAII, REGIONAL SEAWATER AIR CONDITIONING DISTRICT.			
		PLANS			1
		DESIGN			249
		TOTAL FUNDING	BED	C	250C
21.05.		REMOVAL OF ABANDONED DEEP SEA PIPELINES, HAWAII			
		PLANS AND DESIGN FOR REMOVAL OF ABANDONED DEEP SEAWATER PIPELINES.			
		PLANS			1
		DESIGN			499
		TOTAL FUNDING	BED	C	500C

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL YEAR 2017-2018	FISCAL YEAR 2018-2019
LNR141 - WATER AND LAND DEVELOPMENT					
22.		ALA WAI CANAL IMPROVEMENTS, OAHU			
		CONSTRUCTION FOR DREDGING AND CANAL IMPROVEMENTS.			
		CONSTRUCTION		5,000	
		TOTAL FUNDING LNR		5,000C	C
23.		ROCKFALL AND FLOOD MITIGATION, STATEWIDE			
		PLANS, DESIGN, AND CONSTRUCTION FOR ROCKFALL AND FLOOD MITIGATION AT VARIOUS LOCATIONS, STATEWIDE. THE LEGISLATURE FINDS AND DECLARES THAT THE APPROPRIATION IS IN THE PUBLIC INTEREST AND FOR THE PUBLIC'S HEALTH, SAFETY AND GENERAL WELFARE OF THE STATE.			
		PLANS		1	1
		DESIGN		1	1
		CONSTRUCTION		2,998	2,998
		TOTAL FUNDING LNR		3,000C	3,000C
23.01.		ALA WAI CANAL IMPROVEMENTS, OAHU			
		PLANS, DESIGN, CONSTRUCTION, AND EQUIPMENT TO DREDGE THE CANAL AND FIX PORTIONS OF THE DETERIORATED CANAL WALLS.			
		PLANS			1
		DESIGN			198
		CONSTRUCTION			800
		EQUIPMENT			1
		TOTAL FUNDING LNR		C	1,000C
23.02.		DIAMOND HEAD SEAWALL, OAHU			
		PLANS, DESIGN, AND CONSTRUCTION FOR SAFETY IMPROVEMENTS FOR PUBLIC WALKWAY.			
		PLANS			1
		DESIGN			49
		CONSTRUCTION			250
		TOTAL FUNDING LNR		C	300C
23.03.		UPCOUNTRY MAUI EXPLORATORY WELL, MAUI			
		PLANS, DESIGN, AND CONSTRUCTION FOR AN EXPLORATORY WELL; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		PLANS			1
		DESIGN			499
		CONSTRUCTION			3,000
		TOTAL FUNDING LNR		C	3,500C

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
23.04.		WAIMEA RIVER MOUTH SAND RELOCATION, KAUAI			
		CONSTRUCTION FOR CLEARING THE WAIMEA RIVER MOUTH; GROUND AND SITE IMPROVEMENTS.			
		CONSTRUCTION			1,000
		TOTAL FUNDING LNR		C	1,000C
BED150 - HAWAII COMMUNITY DEVELOPMENT AUTHORITY					
24.		KALAELOA ENTERPRISE AVENUE ENERGY CORRIDOR TO MIDWAY ROAD, KALAELOA, OAHU			
		DESIGN AND CONSTRUCTION ON AN UNDERGROUND UTILITY DISTRIBUTION SYSTEM ON ENTERPRISE AVENUE AND MIDWAY ROAD.			
		DESIGN		500	
		CONSTRUCTION		2,500	
		TOTAL FUNDING BED		3,000C	C
24.01.		KALAELOA COMMUNITY DEVELOPMENT PLAN UPDATE, KALAELOA, OAHU			
		PLANS FOR REVISIONS OF THE KALAELOA MASTER PLAN AND KALAELOA COMMUNITY DEVELOPMENT RULES.			
		PLANS			500
		TOTAL FUNDING BED		C	500C
BED160 - HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION					
25.		CASH INFUSION FOR RENTAL HOUSING REVOLVING FUND, STATEWIDE			
		CONSTRUCTION TO PROVIDE AN INFUSION OF FUNDS TO FINANCE ADDITIONAL AFFORDABLE RENTAL HOUSING, STATEWIDE.			
		CONSTRUCTION		25,000	
		TOTAL FUNDING BED		25,000C	C
26.		DWELLING UNIT REVOLVING FUND INFUSION, STATEWIDE			
		CONSTRUCTION TO PROVIDE AN INFUSION OF FUNDS TO FINANCE ADDITIONAL AFFORDABLE HOUSING, STATEWIDE.			
		CONSTRUCTION		25,000	
		TOTAL FUNDING BED		25,000C	C
27.		LOW INCOME HOUSING TAX CREDIT LOANS, STATEWIDE			
		CONSTRUCTION TO PROVIDE LOW-INCOME HOUSING TAX CREDIT LOANS PURSUANT TO SECTION 201H, HAWAII REVISED STATUTES.			
		CONSTRUCTION		4,200	
		TOTAL FUNDING BED		4,200C	C

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
27.01.		KAHULUI CIVIC CENTER MIXED USE PROJECT, MAUI			
		PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR THE DEVELOPMENT, REFURBISHMENT, ESTABLISHMENT, CREATION, DEMOLITION, AND RENOVATION FOR THE KAHULUI CIVIC CENTER MIXED USE PROJECT; PROJECT TO INCLUDE NEW MAUI BUS HUB; EQUIPMENT AND APPURTENANCES.			
		PLANS			1
		LAND			1
		DESIGN			497
		CONSTRUCTION			2,000
		EQUIPMENT			1
		TOTAL FUNDING	BED	C	2,500C
27.02.		KULIOUOU VALLEY, OAHU			
		DESIGN, CONSTRUCTION, AND EQUIPMENT TO BE EXPENDED BY THE HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION: DESIGN AND PAVING OF PAPAHEHI PLACE.			
		PLANS			1
		DESIGN			49
		CONSTRUCTION			100
		TOTAL FUNDING	BED	C	150C

B. EMPLOYMENT

LBR111 - WORKFORCE DEVELOPMENT

0.03.		WORKFORCE DEVELOPMENT, HAWAII			
		PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION AND EQUIPMENT FOR A MULTI-PURPOSE PROCESSING FACILITY.			
		PLANS			1
		LAND			1
		DESIGN			2,997
		CONSTRUCTION			8,000
		EQUIPMENT			1
		TOTAL FUNDING	LBR	C	11,000C

LBR903 - OFFICE OF COMMUNITY SERVICES

1.		ALOHA PERFORMING ARTS COMPANY, HAWAII			
		PLANS, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR ALOHA THEATRE RENOVATIONS. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.			
		PLANS			1
		DESIGN			1
		CONSTRUCTION			97
		EQUIPMENT			1
		TOTAL FUNDING	LBR	100C	C

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL YEAR 2017-2018	FISCAL YEAR 2018-2019
2.		CHINESE CHAMBER OF COMMERCE FOUNDATION, OAHU			
		PLANS, DESIGN, AND CONSTRUCTION TO PROVIDE BUILDING ACCESS TO PERSONS WITH DISABILITIES AND SENIORS. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.			
		PLANS		1	
		DESIGN		1	
		CONSTRUCTION		98	
		TOTAL FUNDING LBR		100C	C
3.		DAUGHTERS OF HAWAII, OAHU			
		PLANS, DESIGN, AND CONSTRUCTION FOR QUEEN EMMA SUMMER PALACE PRESERVATION PROJECT. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.			
		PLANS		1	
		DESIGN		1	
		CONSTRUCTION		398	
		TOTAL FUNDING LBR		400C	C
4.		HABITAT FOR HUMANITY WEST HAWAII, HAWAII			
		CONSTRUCTION FOR AFFORDABLE HOUSING FOR LOW-INCOME FAMILIES IN WEST HAWAII. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.			
		CONSTRUCTION		100	
		TOTAL FUNDING LBR		100C	C
5.		HONOLULU HABITAT FOR HUMANITY, OAHU			
		PLANS, CONSTRUCTION, AND EQUIPMENT FOR BUILDING HOMES FOR LOW-INCOME FAMILIES ON OAHU. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.			
		PLANS		1	
		CONSTRUCTION		248	
		EQUIPMENT		1	
		TOTAL FUNDING LBR		250C	C
6.		HO'OLA NA PUA, OAHU			
		CONSTRUCTION AND EQUIPMENT FOR THE RENOVATION OF A LICENSED SPECIAL TREATMENT FACILITY. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.			
		CONSTRUCTION		499	
		EQUIPMENT		1	
		TOTAL FUNDING LBR		500C	C

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
7.		HUI NOEAU, MAUI			
		CONSTRUCTION FOR IMPROVEMENTS TO THE VISUAL ARTS CENTER. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.			
		CONSTRUCTION		95	
		TOTAL FUNDING LBR		95 C	
8.		JAPANESE CULTURAL CENTER OF HAWAII, OAHU			
		CONSTRUCTION FOR REPAIRS, MAINTENANCE, AND RENOVATIONS TO THE CULTURAL CENTER. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.			
		CONSTRUCTION		208	
		TOTAL FUNDING LBR		208 C	
9.		KAUAI HABITAT FOR HUMANITY, INC., KAUAI			
		CONSTRUCTION FOR AFFORDABLE HOUSING FOR LOW-INCOME FAMILIES ON KAUAI. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.			
		CONSTRUCTION		500	
		TOTAL FUNDING LBR		500 C	
10.		PACIFIC WELL DRILLING AND PUMP SERVICES, HAWAII			
		EQUIPMENT FOR WATER WELL DRILLING AND PUMP SERVICES. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.			
		EQUIPMENT		605	
		TOTAL FUNDING LBR		605 C	
11.		SPECIAL OLYMPICS HAWAII, INC., OAHU			
		CONSTRUCTION FOR A PROGRAM AND TRAINING CENTER. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.			
		CONSTRUCTION		300	
		TOTAL FUNDING LBR		300 C	
12.		YMCA OF HONOLULU, OAHU			
		DESIGN AND CONSTRUCTION FOR BRANCH FACILITIES. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.			
		DESIGN		1	
		CONSTRUCTION		499	
		TOTAL FUNDING LBR		500 C	
12.01.		BOY SCOUTS OF AMERICA, ALOHA COUNCIL			
		THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.			
		PLANS			1
		LAND			1

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
		DESIGN			1
		CONSTRUCTION			446
		EQUIPMENT			1
		TOTAL FUNDING	LBR	C	450 C
12.02.		BOYS AND GIRLS CLUB OF MAUI			
		THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.			
		PLANS			1
		LAND			1
		DESIGN			1
		CONSTRUCTION			246
		EQUIPMENT			1
		TOTAL FUNDING	LBR	C	250 C
12.03.		GIRL SCOUTS OF HAWAII			
		THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.			
		PLANS			1
		LAND			1
		DESIGN			1
		CONSTRUCTION			446
		EQUIPMENT			1
		TOTAL FUNDING	LBR	C	450 C
12.04.		HABITAT FOR HUMANITY, HAWAII ISLAND, INC.			
		THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.			
		PLANS			1
		LAND			1
		DESIGN			1
		CONSTRUCTION			261
		EQUIPMENT			1
		TOTAL FUNDING	LBR	C	265 C
12.05.		HABITAT FOR HUMANITY, MAUI			
		THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.			
		PLANS			1
		LAND			1
		DESIGN			1
		CONSTRUCTION			296
		EQUIPMENT			1
		TOTAL FUNDING	LBR	C	300 C
12.06.		HALE MAKUA HEALTH SERVICES			
		THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.			
		PLANS			1
		LAND			1
		DESIGN			1
		CONSTRUCTION			171
		EQUIPMENT			1
		TOTAL FUNDING	LBR	C	175 C

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL YEAR 2017-2018	FISCAL YEAR 2018-2019
12.07.		HAMAKUA YOUTH FOUNDATION, INC			
		THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.			
		PLANS			1
		LAND			1
		DESIGN			1
		CONSTRUCTION			131
		EQUIPMENT			1
		TOTAL FUNDING LBR		C	135C
12.08.		HAWAII ISLAND HUMANE SOCIETY S.P.C.A.			
		THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.			
		PLANS			1
		LAND			1
		DESIGN			1
		CONSTRUCTION			296
		EQUIPMENT			1
		TOTAL FUNDING LBR		C	300C
12.09.		HAWAII ISLAND PORTUGUESE CHAMBER OF COMMERCE CULTURAL AND EDUCATIONAL CENTER			
		THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.			
		PLANS			1
		LAND			1
		DESIGN			1
		CONSTRUCTION			196
		EQUIPMENT			1
		TOTAL FUNDING LBR		C	200C
12.10.		HAWAIIAN HUMANE SOCIETY			
		THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.			
		PLANS			1
		LAND			1
		DESIGN			1
		CONSTRUCTION			296
		EQUIPMENT			1
		TOTAL FUNDING LBR		C	300C
12.11.		HONOLULU HABITAT FOR HUMANITY			
		THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.			
		PLANS			1
		LAND			1
		DESIGN			1
		CONSTRUCTION			146
		EQUIPMENT			1
		TOTAL FUNDING LBR		C	150C
12.12.		KAUAI ECONOMIC OPPORTUNITY, INC.			
		THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.			
		PLANS			1
		LAND			1

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL YEAR 2017-2018	FISCAL YEAR 2018-2019
		DESIGN			1
		CONSTRUCTION			496
		EQUIPMENT			1
		TOTAL FUNDING	LBR	C	500C
12.13.		KAUAI HABITAT FOR HUMANITY			
		THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.			
		PLANS			1
		LAND			1
		DESIGN			1
		CONSTRUCTION			146
		EQUIPMENT			1
		TOTAL FUNDING	LBR	C	150C
12.14.		KAUAI PHILIPINE CULTURAL CENTER			
		THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.			
		PLANS			1
		LAND			1
		DESIGN			1
		CONSTRUCTION			496
		EQUIPMENT			1
		TOTAL FUNDING	LBR	C	500C
12.15.		LAAKEA FOUNDATION			
		THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.			
		PLANS			1
		LAND			1
		DESIGN			1
		CONSTRUCTION			121
		EQUIPMENT			1
		TOTAL FUNDING	LBR	C	125C
12.16.		MAUI ECONOMIC OPPORTUNITY, INC			
		THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.			
		PLANS			1
		LAND			1
		DESIGN			1
		CONSTRUCTION			496
		EQUIPMENT			1
		TOTAL FUNDING	LBR	C	500C
12.17.		MAUI FAMILY YMCA			
		THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.			
		PLANS			1
		LAND			1
		DESIGN			1
		CONSTRUCTION			196
		EQUIPMENT			1
		TOTAL FUNDING	LBR	C	200C

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
12.18.		ONE NINETY NINE INITIATIVE			
		THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.			
		PLANS			1
		LAND			1
		DESIGN			1
		CONSTRUCTION			227
		EQUIPMENT			1
		TOTAL FUNDING LBR		C	231 C
12.19.		SPECIAL EDUCATION CENTER OF HAWAII			
		THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.			
		PLANS			1
		LAND			1
		DESIGN			1
		CONSTRUCTION			246
		EQUIPMENT			1
		TOTAL FUNDING LBR		C	250 C
12.20.		THE MEDIATION CENTER OF THE PACIFIC, INC			
		THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.			
		PLANS			1
		LAND			1
		DESIGN			1
		CONSTRUCTION			446
		EQUIPMENT			1
		TOTAL FUNDING LBR		C	450 C
12.21.		YOUNG MEN'S CHRISTIAN ASSOCIATION OF HONOLULU			
		THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.			
		PLANS			1
		LAND			1
		DESIGN			1
		CONSTRUCTION			346
		EQUIPMENT			1
		TOTAL FUNDING LBR		C	350 C

HMS802 - VOCATIONAL REHABILITATION

13. HO'OPONO FLOOD ZONE REMEDIATION, OAHU

DESIGN AND CONSTRUCTION TO REPLACE BASEMENT WALLS WITH A STRUCTURE TO WITHSTAND FORCES DUE TO POTENTIAL FLOODING, ELEVATE WALL OPENINGS, AND PROTECT THE EQUIPMENT AROUND THE BUILDING.

DESIGN		52	
CONSTRUCTION		469	
TOTAL FUNDING HMS		521 C	C

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL M	FISCAL M
				YEAR O	YEAR O
				2017-2018 F	2018-2019 F

C. TRANSPORTATION FACILITIES

TRN102 - DANIEL K. INOUE INTERNATIONAL AIRPORT

1. HONOLULU INTERNATIONAL AIRPORT, 400 HERTZ GROUND POWER UNIT UPGRADE, OAHU

CONSTRUCTION FOR IMPROVEMENTS TO THE TERMINAL ELECTRICAL SYSTEM TO PROVIDE INCREASED 400 HERTZ POWER FOR AIRCRAFT AT THE GATES AND OTHER RELATED IMPROVEMENTS.

CONSTRUCTION		10,000		
TOTAL FUNDING	TRN	10,000E		E

2. DANIEL K. INOUE INTERNATIONAL AIRPORT, AIRCRAFT APRON RECONSTRUCTION, OAHU

DESIGN AND CONSTRUCTION FOR THE RECONSTRUCTION OF AIRCRAFT APRONS AND OTHER RELATED IMPROVEMENTS. THIS PROJECT IS DEEMED NECESSARY TO QUALIFY FOR FEDERAL AID FINANCING AND/OR REIMBURSEMENT (OTHER FUNDS FROM PASSENGER FACILITY CHARGES).

DESIGN		2,000		
CONSTRUCTION				53,001
TOTAL FUNDING	TRN		B	19,118B
	TRN		2,000E	6,882E
	TRN		N	1N
	TRN		X	28,000X

3. HONOLULU INTERNATIONAL AIRPORT, BAGGAGE HANDLING SYSTEM IMPROVEMENTS, OAHU

CONSTRUCTION OF IMPROVEMENTS FOR THE BAGGAGE HANDLING SYSTEM AND OTHER RELATED IMPROVEMENTS.

CONSTRUCTION		25,000		
TOTAL FUNDING	TRN	25,000E		E

4. HONOLULU INTERNATIONAL AIRPORT, ELLIOTT STREET SUPPORT FACILITIES, OAHU

CONSTRUCTION FOR SUPPORT FACILITIES NEAR ELLIOTT STREET INCLUDING MAINTENANCE FACILITIES, CARGO FACILITIES, TAXILANES G AND L WIDENING AND REALIGNMENT, AND OTHER RELATED IMPROVEMENTS FOR THE AIRPORT MODERNIZATION PROGRAM.

CONSTRUCTION		50,000		
TOTAL FUNDING	TRN	50,000E		E

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
5.		HONOLULU INTERNATIONAL AIRPORT, LOADING BRIDGE PRE-CONDITIONED AIR INSTALLATION, OAHU			
		CONSTRUCTION FOR THE INSTALLATION OF PRE-CONDITIONED AIR FOR LOADING BRIDGES AND OTHER RELATED IMPROVEMENTS.			
		CONSTRUCTION		15,000	
		TOTAL FUNDING	TRN	15,000E	E
6.		HONOLULU INTERNATIONAL AIRPORT, NEW DIAMOND HEAD CONCOURSE DEVELOPMENT STUDY, OAHU			
		PLANS FOR NEW DIAMOND HEAD CONCOURSE DEVELOPMENT STUDY.			
		PLANS		5,000	
		TOTAL FUNDING	TRN	5,000E	E
7.		HONOLULU INTERNATIONAL AIRPORT, PEDESTRIAN BRIDGE REPLACEMENT AND/OR REHABILITATION, OAHU			
		CONSTRUCTION FOR THE REPLACEMENT AND/OR REHABILITATION OF THE PEDESTRIAN BRIDGES BETWEEN THE OVERSEAS TERMINAL AND THE OVERSEAS TERMINAL PARKING STRUCTURE AND OTHER RELATED IMPROVEMENTS.			
		CONSTRUCTION		10,000	
		TOTAL FUNDING	TRN	10,000E	E
8.		DANIEL K. INOUYE INTERNATIONAL AIRPORT, RESTROOM RENOVATION, OAHU			
		DESIGN AND CONSTRUCTION FOR RENOVATION OF AIRPORT RESTROOMS AND OTHER RELATED IMPROVEMENTS.			
		DESIGN		5,000	
		CONSTRUCTION		5,000	32,500
		TOTAL FUNDING	TRN	10,000E	32,500E
9.		HONOLULU INTERNATIONAL AIRPORT, ROADWAY/TERMINAL SIGNAGE IMPROVEMENTS, OAHU			
		DESIGN AND CONSTRUCTION FOR ROADWAY AND TERMINAL SIGNAGE IMPROVEMENTS AND OTHER RELATED IMPROVEMENTS.			
		DESIGN		1,000	
		CONSTRUCTION		5,000	
		TOTAL FUNDING	TRN	6,000E	E
10.		HONOLULU INTERNATIONAL AIRPORT, TAXIWAY LIGHT IMPROVEMENTS, OAHU			
		DESIGN AND CONSTRUCTION FOR THE INSTALLATION OF TAXIWAY ENPLANEMENT LIGHTS FOR ADDITIONAL VISUAL SAFETY IN THE AIRFIELD AND OTHER RELATED IMPROVEMENTS.			
		DESIGN		500	
		CONSTRUCTION			4,000
		TOTAL FUNDING	TRN	500E	4,000E

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
11.		HONOLULU INTERNATIONAL AIRPORT, TERMINAL IMPROVEMENTS AT GATES 29 AND 34, OAHU CONSTRUCTION FOR IMPROVEMENTS AT GATES 29 AND 34 TO ACCOMMODATE A380 AIRCRAFT AND OTHER RELATED IMPROVEMENTS.		30,000	
		CONSTRUCTION		30,000E	E
		TOTAL FUNDING TRN			
12.		DANIEL K. INOUYE INTERNATIONAL AIRPORT, TERMINAL MODERNIZATION, OAHU DESIGN AND CONSTRUCTION OF TERMINAL IMPROVEMENTS TO OPTIMIZE AND MODERNIZE FACILITIES AND OPERATIONS AT THE AIRPORT. IMPROVEMENTS INCLUDE THE REPLACEMENT OF ELEVATORS, ESCALATORS, THE TELEPHONE SYSTEM, AND OTHER RELATED IMPROVEMENTS.		2,650	1,000
		CONSTRUCTION			24,500
		TOTAL FUNDING TRN		2,650E	25,500E
13.		HONOLULU INTERNATIONAL AIRPORT, TICKET LOBBY IMPROVEMENTS, OAHU CONSTRUCTION OF IMPROVEMENTS TO THE OVERSEAS TERMINAL TICKET LOBBY AND OTHER RELATED IMPROVEMENTS.		170,000	
		CONSTRUCTION		170,000E	E
		TOTAL FUNDING TRN			
14.		HONOLULU INTERNATIONAL AIRPORT, USDA INSPECTION FACILITY, OAHU CONSTRUCTION FOR A NEW UNITED STATES DEPARTMENT OF AGRICULTURE (USDA) INSPECTION FACILITY AND OTHER RELATED IMPROVEMENTS. THIS PROJECT IS DEEMED NECESSARY TO QUALIFY FOR FEDERAL AID FINANCING AND/OR REIMBURSEMENT.		9,000	
		CONSTRUCTION		9,000N	N
		TOTAL FUNDING TRN			
14.01.		DANIEL K. INOUYE INTERNATIONAL AIRPORT, EB-5 LOAN REPAYMENT, OAHU CONSTRUCTION FOR THE REPAYMENT OF PRINCIPAL AND INTEREST ON EB-5 LOAN ASSOCIATED WITH THE CONSOLIDATED CAR RENTAL FACILITIES FOR THE RENTAL CAR AGENCIES AND OTHER RELATED IMPROVEMENTS.			76,000
		CONSTRUCTION		E	76,000E
		TOTAL FUNDING TRN			

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
14.02.		DANIEL K. INOUYE INTERNATIONAL AIRPORT, RECONSTRUCT TAXIWAYS AND RUNWAYS, OAHU			
		DESIGN FOR STRUCTURAL IMPROVEMENTS TO RUNWAYS, TAXIWAYS, AND APRONS.			
		DESIGN			9,000
		TOTAL FUNDING	TRN	E	9,000E
14.03.		DANIEL K. INOUYE INTERNATIONAL AIRPORT, FIRE SPRINKLER SYSTEM UPGRADE, OAHU			
		DESIGN FOR IMPROVEMENTS TO THE FIRE SPRINKLER SYSTEM AND OTHER RELATED IMPROVEMENTS.			
		DESIGN			1,000
		TOTAL FUNDING	TRN	E	1,000E
14.04.		DANIEL K. INOUYE INTERNATIONAL AIRPORT, SOUTH RAMP HELICOPTER OPERATIONS AREA, OAHU			
		CONSTRUCTION FOR A CONSOLIDATED HELICOPTER OPERATIONS AREA AT THE SOUTH RAMP AND OTHER RELATED IMPROVEMENTS.			
		CONSTRUCTION			7,500
		TOTAL FUNDING	TRN	E	7,500E
14.05.		DANIEL K. INOUYE INTERNATIONAL AIRPORT, PROGRAM MANAGEMENT, OAHU			
		DESIGN FOR PROGRAM MANAGEMENT OF THE AIRPORT MODERNIZATION PROGRAM.			
		DESIGN			10,000
		TOTAL FUNDING	TRN	E	10,000E
14.06.		DANIEL K. INOUYE INTERNATIONAL AIRPORT, RE-ROOF T-HANGARS, OAHU			
		CONSTRUCTION FOR THE RE-ROOFING OF T-HANGARS AND OTHER RELATED IMPROVEMENTS.			
		CONSTRUCTION			5,500
		TOTAL FUNDING	TRN	E	5,500E
14.07.		DANIEL K. INOUYE INTERNATIONAL AIRPORT, RE-ROOF TERMINAL, OAHU			
		CONSTRUCTION FOR THE RE-ROOFING OF THE OVERSEAS TERMINAL, EWA AND DIAMOND HEAD CONCOURSES AND OTHER RELATED IMPROVEMENTS.			
		CONSTRUCTION			10,500
		TOTAL FUNDING	TRN	E	10,500E
14.08.		DANIEL K. INOUYE INTERNATIONAL AIRPORT, POTABLE WATER SYSTEM UPGRADE, OAHU			
		CONSTRUCTION FOR POTABLE WATER SYSTEM IMPROVEMENTS AND OTHER RELATED IMPROVEMENTS.			
		CONSTRUCTION			11,000
		TOTAL FUNDING	TRN	E	11,000E

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
14.09.		DANIEL K. INOUE INT'L AIRPORT, EWA AND DIAMOND HEAD CONCOURSE RDWY IMPRVMENTS, HAWAII			
		DESIGN FOR IMPROVEMENTS TO THE SECOND AND THIRD LEVEL ROADWAYS AT THE EWA AND DIAMOND HEAD CONCOURSES AND OTHER RELATED IMPROVEMENTS.			
		DESIGN			2,000
		TOTAL FUNDING TRN		E	2,000E
14.10.		DANIEL K. INOUE INTERNATIONAL AIRPORT, ELLIOTT STREET ROADWAY IMPROVEMENTS, OAHU			
		DESIGN FOR ELLIOTT STREET ROADWAY IMPROVEMENTS INCLUDING PAVING, REALIGNMENT, WIDENING AND OTHER RELATED IMPROVEMENTS.			
		DESIGN			1,000
		TOTAL FUNDING TRN		E	1,000E
14.11.		DANIEL K. INOUE INT'L AIRPORT, INTERNATIONAL ARRIVALS BUILDING RENOVATION, OAHU			
		CONSTRUCTION FOR THE RENOVATION OF THE INTERNATIONAL ARRIVALS BUILDING AND OTHER RELATED IMPROVEMENTS.			
		CONSTRUCTION			13,000
		TOTAL FUNDING TRN		E	13,000E
14.12.		DANIEL K. INOUE INTERNATIONAL AIRPORT, OVERSEAS TERMINAL SIDEWALK IMPROVEMENTS, OAHU			
		DESIGN FOR SIDEWALK IMPROVEMENTS AT THE OVERSEAS TERMINAL AND OTHER RELATED IMPROVEMENTS.			
		DESIGN			800
		TOTAL FUNDING TRN		E	800E
14.13.		DANIEL K. INOUE INTERNATIONAL AIRPORT, HAWAIIAN GARDEN RENOVATION, OAHU			
		CONSTRUCTION FOR THE RENOVATION OF THE HAWAIIAN GARDEN NEAR THE CENTRAL CONCOURSE AND OTHER RELATED IMPROVEMENTS.			
		CONSTRUCTION			5,500
		TOTAL FUNDING TRN		E	5,500E

TRN104 - GENERAL AVIATION

15.		DILLINGHAM AIRFIELD, REPLACE UNIVERSAL COMMUNICATIONS TOWER, OAHU			
		DESIGN AND CONSTRUCTION FOR THE REPLACEMENT OF THE UNIVERSAL COMMUNICATIONS (UNICOM) TOWER AND OTHER RELATED IMPROVEMENTS.			
		DESIGN			500
		CONSTRUCTION			1,500
		TOTAL FUNDING TRN		500E	1,500E

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
16.		KALAELOA AIRPORT, CONSTRUCT T-HANGARS, OAHU CONSTRUCTION FOR T-HANGARS AND OTHER RELATED IMPROVEMENTS. CONSTRUCTION		8,000	
		TOTAL FUNDING	TRN	8,000E	E
17.		KALAELOA AIRPORT, RUNWAY LIGHTING SYSTEM IMPROVEMENTS, OAHU DESIGN AND CONSTRUCTION FOR THE REPLACEMENT OF THE MEDIUM INTENSITY APPROACH LIGHTING SYSTEM FOR RUNWAY ALIGNMENT (MALSR) AND OTHER RELATED IMPROVEMENTS. DESIGN		300	
		CONSTRUCTION			3,000
		TOTAL FUNDING	TRN	300E	3,000E
18.		KALAELOA AIRPORT, UTILITY SYSTEM IMPROVEMENTS, OAHU CONSTRUCTION FOR UTILITY INFRASTRUCTURE SYSTEM UPGRADES TO INCLUDE WATER, ELECTRICAL, AND TELEPHONE DISTRIBUTION AND SEWER AND STORM WATER SYSTEMS TO MEET CURRENT CIVIL AIRPORT STANDARDS AND CITY AND COUNTY OF HONOLULU STANDARDS. CONSTRUCTION		10,000	
		TOTAL FUNDING	TRN	10,000E	E
TRN111 - HILO INTERNATIONAL AIRPORT					
19.		HILO INTERNATIONAL AIRPORT, AIRCRAFT APRON RECONSTRUCTION, HAWAII DESIGN AND CONSTRUCTION FOR THE RECONSTRUCTION OF AIRCRAFT APRONS AND OTHER RELATED IMPROVEMENTS. DESIGN		400	
		CONSTRUCTION			4,800
		TOTAL FUNDING	TRN	400E	4,800E
20.		HILO INTERNATIONAL AIRPORT, ARCADE IMPROVEMENTS, HAWAII DESIGN FOR IMPROVEMENTS TO THE ARCADE BUILDING INCLUDING ENCLOSING AND AIR CONDITIONING THE SECOND FLOOR AND OTHER RELATED IMPROVEMENTS. DESIGN		1,500	
		TOTAL FUNDING	TRN	1,500E	E
21.		HILO INTERNATIONAL AIRPORT, HAWAII CONSTRUCTION FOR A NEW ROOF AND FACILITY PAINTING AT HILO INTERNATIONAL AIRPORT. CONSTRUCTION		10,000	
		TOTAL FUNDING	TRN	10,000E	E

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
22.		HILO INTERNATIONAL AIRPORT, NOISE ATTENUATION FOR KEAUKAHA SUBDIVISION, HAWAII			
		CONSTRUCTION FOR NOISE ATTENUATION OF RESIDENTIAL DWELLINGS ADJACENT TO HILO INTERNATIONAL AIRPORT WITHIN THE 65-75 DNL CONTOUR RANGE. THIS PROJECT IS DEEMED NECESSARY TO QUALIFY FOR FEDERAL AID FINANCING AND/OR REIMBURSEMENT.			
		CONSTRUCTION		2,600	
		TOTAL FUNDING	TRN	600E	E
			TRN	2,000N	N
23.		HILO INTERNATIONAL AIRPORT, TERMINAL IMPROVEMENTS, HAWAII			
		CONSTRUCTION FOR TERMINAL IMPROVEMENTS INCLUDING THE TICKET LOBBY, HOLDROOMS, AIRPORT RESTROOMS AND OTHER RELATED IMPROVEMENTS.			
		CONSTRUCTION		7,300	
		TOTAL FUNDING	TRN	7,300E	E
23.01.		HILO INTERNATIONAL AIRPORT, RUNWAY AND TAXIWAY LIGHTING REPLACEMENT			
		DESIGN FOR RUNWAY AND TAXIWAY LIGHTING REPLACEMENT AND OTHER RELATED IMPROVEMENTS.			
		DESIGN			1,000
		TOTAL FUNDING	TRN	E	1,000E
23.02.		HILO INTERNATIONAL AIRPORT, NOISE MONITORING SYSTEM UPGRADE, HAWAII			
		CONSTRUCTION FOR THE UPGRADE OF THE NOISE MONITORING SYSTEM AND OTHER RELATED IMPROVEMENTS. THIS PROJECT IS DEEMED NECESSARY TO QUALIFY FOR FEDERAL AID FINANCING AND/OR REIMBURSEMENT.			
		CONSTRUCTION			301
		TOTAL FUNDING	TRN	E	300E
			TRN	N	1N
TRN114 - ELLISON ONIZUKA KONA INTERNATIONAL AIRPORT AT KEAHOLE					
24.		KONA INTERNATIONAL AIRPORT AT KEAHOLE, AGRICULTURAL INSPECTION STATION, HAWAII			
		DESIGN AND CONSTRUCTION FOR A NEW UNITED STATES DEPARTMENT OF AGRICULTURE (USDA) AGRICULTURAL INSPECTION STATION AND OTHER RELATED IMPROVEMENTS.			
		DESIGN		750	
		CONSTRUCTION			8,000
		TOTAL FUNDING	TRN	750E	8,000E

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
25.		KONA INTERNATIONAL AIRPORT AT KEAHOLE, ARFF EMERGENCY OPERATIONS COMMAND CENTER, HAWAII			
		DESIGN AND CONSTRUCTION FOR AN AIRCRAFT RESCUE AND FIRE FIGHTING (ARFF) EMERGENCY OPERATIONS COMMAND CENTER (EOC) AT THE AIRPORT.			
		DESIGN		75	
		CONSTRUCTION			375
		TOTAL FUNDING TRN		75 E	375 E
26.		KONA INTERNATIONAL AIRPORT AT KEAHOLE, EMERGENCY GENERATOR UPGRADE, HAWAII			
		DESIGN AND CONSTRUCTION FOR THE INSTALLATION OF AN EMERGENCY GENERATOR FOR THE TERMINAL AND OTHER RELATED IMPROVEMENTS.			
		DESIGN		500	
		CONSTRUCTION			3,000
		TOTAL FUNDING TRN		500 E	3,000 E
27.		KONA INTERNATIONAL AIRPORT AT KEAHOLE, PERIMETER FENCE REPLACEMENT, HAWAII			
		CONSTRUCTION FOR REPLACEMENT OF THE PERIMETER FENCE AND OTHER RELATED IMPROVEMENTS. THIS PROJECT IS DEEMED NECESSARY TO QUALIFY FOR FEDERAL AID FINANCING AND/OR REIMBURSEMENT.			
		CONSTRUCTION		1,501	
		TOTAL FUNDING TRN		1,359 B	B
				141 E	E
				1 N	N
28.		ELLISON ONIZUKA KONA INTERNATIONAL AIRPORT AT KEAHOLE, RESTROOM RENOVATION, HAWAII			
		DESIGN AND CONSTRUCTION FOR RENOVATION OF AIRPORT RESTROOMS AND OTHER RELATED IMPROVEMENTS.			
		DESIGN		600	
		CONSTRUCTION			6,600
		TOTAL FUNDING TRN		600 E	6,600 E
28.01.		ELLISON ONIZUKA KONA INT'L AIRPORT AT KEAHOLE, NEW ADMIN OFFICE BUILDING, HAWAII			
		DESIGN FOR A NEW ADMINISTRATIVE OFFICE BUILDING AND RENOVATION OF THE EXISTING AIRPORT DISTRICT OFFICE BUILDING.			
		DESIGN			1,500
		TOTAL FUNDING TRN		E	1,500 E

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
28.02.		ELLISON ONIZUKA KONA INT'L AIRPORT AT KEAHOLE, FEDERAL INSPECTION STATION, HAWAII			
		DESIGN AND CONSTRUCTION FOR A FEDERAL INSPECTION STATION AND OTHER RELATED IMPROVEMENTS.			
		DESIGN			2,000
		CONSTRUCTION			67,000
		TOTAL FUNDING TRN		E	69,000 E
TRN118 - UPOLU AIRPORT					
29.		UPOLU AIRPORT, AIRPORT IMPROVEMENTS, HAWAII			
		DESIGN AND CONSTRUCTION FOR AIRPORT IMPROVEMENTS. IMPROVEMENTS INCLUDE THE INSTALLATION OF A SECURITY SYSTEM, STORAGE SHED REPLACEMENT, AND OTHER RELATED IMPROVEMENTS.			
		DESIGN		25	
		CONSTRUCTION			1,000
		TOTAL FUNDING TRN		25 E	1,000 E
TRN131 - KAHULUI AIRPORT					
30.		KAHULUI AIRPORT, AIRPORT IMPROVEMENTS, MAUI			
		DESIGN AND CONSTRUCTION FOR IMPROVEMENTS TO THE TERMINAL, COMMUTER TERMINAL, SECURITY FENCE, ELECTRICAL SYSTEM, AND OTHER RELATED IMPROVEMENTS.			
		DESIGN		1,600	
		CONSTRUCTION		1,500	8,400
		TOTAL FUNDING TRN		3,100 E	8,400 E
31.		KAHULUI AIRPORT, COMMON USE PASSENGER PROCESSING SYSTEM UPGRADE, MAUI			
		CONSTRUCTION FOR UPGRADING THE COMMON USE PASSENGER PROCESSING SYSTEM AND OTHER RELATED IMPROVEMENTS.			
		CONSTRUCTION		1,300	
		TOTAL FUNDING TRN		1,300 E	E
32.		KAHULUI AIRPORT, HOLDROOM AND GATE IMPROVEMENTS, MAUI			
		DESIGN AND CONSTRUCTION FOR HOLDROOM AND GATE IMPROVEMENTS AND OTHER RELATED IMPROVEMENTS AT THE AIRPORT.			
		DESIGN		973	
		CONSTRUCTION		28,600	9,725
		TOTAL FUNDING TRN		29,573 E	9,725 E

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
33.		KAHULUI AIRPORT, INBOUND BAGGAGE HANDLING SYSTEM IMPROVEMENTS, MAUI			
		CONSTRUCTION FOR INBOUND BAGGAGE HANDLING SYSTEM IMPROVEMENTS AND OTHER RELATED IMPROVEMENTS.			
		CONSTRUCTION		10,500	
		TOTAL FUNDING TRN		10,500 E	E
34.		KAHULUI AIRPORT, LEASE LOTS, MAUI			
		CONSTRUCTION FOR LEASE LOTS AND OTHER RELATED IMPROVEMENTS.			
		CONSTRUCTION		64,000	
		TOTAL FUNDING TRN		64,000 E	E
34.01.		KAHULUI AIRPORT, ENVIRONMENTAL IMPACT STATEMENT, MAUI			
		PLANS FOR A FEDERAL ENVIRONMENTAL IMPACT STATEMENT AND OTHER RELATED IMPROVEMENTS. THIS PROJECT IS DEEMED NECESSARY TO QUALIFY FOR FEDERAL AID FINANCING AND/OR REIMBURSEMENT.			
		PLANS			3,750
		TOTAL FUNDING TRN		N	3,750 N
34.02.		KAHULUI AIRPORT, BAGGAGE HANDLING SYSTEM IMPROVEMENTS, MAUI			
		DESIGN AND CONSTRUCTION FOR BAGGAGE HANDLING SYSTEM IMPROVEMENTS AND OTHER RELATED IMPROVEMENTS.			
		DESIGN			150
		CONSTRUCTION			2,530
		TOTAL FUNDING TRN		E	2,680 E
TRN133 - HANA AIRPORT					
35.		HANA AIRPORT, BASEYARD RENOVATION, MAUI			
		DESIGN AND CONSTRUCTION FOR RENOVATIONS TO THE BASEYARD BUILDING AND OTHER RELATED IMPROVEMENTS.			
		DESIGN		500	
		CONSTRUCTION			1,500
		TOTAL FUNDING TRN		500 E	1,500 E
TRN135 - KAPALUA AIRPORT					
36.		KAPALUA AIRPORT, WATER TANK IMPROVEMENTS, MAUI			
		DESIGN AND CONSTRUCTION FOR IMPROVEMENTS TO THE WATER TANK AND OTHER RELATED IMPROVEMENTS.			
		DESIGN		500	
		CONSTRUCTION			1,500
		TOTAL FUNDING TRN		500 E	1,500 E

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
TRN141 - MOLOKAI AIRPORT					
37.		MOLOKAI AIRPORT, TERMINAL AND UTILITY IMPROVEMENTS, MOLOKAI			
		DESIGN AND CONSTRUCTION FOR TERMINAL IMPROVEMENTS. IMPROVEMENTS INCLUDE ELECTRICAL AND SEWER REPLACEMENT OR UPGRADES, INSTALLATION OF NEW RESTROOMS, AND OTHER RELATED IMPROVEMENTS.			
		DESIGN		1,000	
		CONSTRUCTION			6,250
		TOTAL FUNDING	TRN	1,000E	6,250E
TRN143 - KALAUPAPA AIRPORT					
38.		KALAUPAPA AIRPORT, AIRPORT IMPROVEMENTS, MOLOKAI			
		CONSTRUCTION FOR THE INSTALLATION OF A NEW AIRCRAFT RESCUE AND FIRE FIGHTING (ARFF) GARAGE, RENOVATION OF THE TERMINAL, REPLACEMENT OF AIRFIELD LIGHTING, AND OTHER RELATED IMPROVEMENTS.			
		CONSTRUCTION			4,500
		TOTAL FUNDING	TRN	E	4,500E
TRN151 - LANAI AIRPORT					
39.		LANAI AIRPORT, BASEYARD RENOVATION, LANAI			
		DESIGN AND CONSTRUCTION FOR RENOVATIONS TO THE BASEYARD BUILDING AND OTHER RELATED IMPROVEMENTS.			
		DESIGN		500	
		CONSTRUCTION			1,500
		TOTAL FUNDING	TRN	500E	1,500E
40.		LANAI AIRPORT, RESTROOM FACILITIES, LANAI			
		CONSTRUCTION FOR NEW RESTROOMS NEAR THE GATES AND OTHER RELATED IMPROVEMENTS.			
		CONSTRUCTION		1,000	
		TOTAL FUNDING	TRN	1,000E	E
40.01.		LANAI AIRPORT, RUNWAY 3-21 RECONSTRUCTION, LANAI			
		CONSTRUCTION FOR THE RUNWAY 3-21 RECONSTRUCTION AND OTHER RELATED IMPROVEMENTS. THIS PROJECT IS DEEMED NECESSARY TO QUALIFY FOR FEDERAL AID FINANCING AND/OR REIMBURSEMENT.			
		CONSTRUCTION			22,301
		TOTAL FUNDING	TRN	E	22,300E
			TRN	N	1N

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL YEAR 2017-2018	FISCAL YEAR 2018-2019
40.02.		LANAI AIRPORT, RUNWAY 3-21 EXTENSION, LANAI			
		CONSTRUCTION FOR AN EXTENSION OF RUNWAY 3-21 AND OTHER RELATED IMPROVEMENTS.			
		CONSTRUCTION			5,007
		TOTAL FUNDING	TRN	E	7E
			TRN	R	5,000R
TRN161 - LIHUE AIRPORT					
41.		LIHUE AIRPORT, AHUKINI LANDFILL RESTORATION, KAUAI			
		CONSTRUCTION FOR THE RESTORATION OF THE AHUKINI LANDFILL AND OTHER RELATED IMPROVEMENTS.			
		CONSTRUCTION		3,500	
		TOTAL FUNDING	TRN	3,500E	E
42.		LIHUE AIRPORT, LAND ACQUISITION, KAUAI			
		PLANS AND LAND ACQUISITION FOR PARCELS NEAR THE AIRPORT. (OTHER FUNDS FROM RENTAL MOTOR VEHICLE CUSTOMER FACILITY CHARGE FUNDS).			
		PLANS		350	
		LAND		20,944	
		TOTAL FUNDING	TRN	9,294B	B
			TRN	12,000X	X
43.		LIHUE AIRPORT, TICKET LOBBY AND HOLDROOM IMPROVEMENTS, KAUAI			
		DESIGN AND CONSTRUCTION FOR TICKET LOBBY AND HOLDROOM IMPROVEMENTS.			
		DESIGN		1,623	
		CONSTRUCTION			16,225
		TOTAL FUNDING	TRN	1,623E	16,225E
43.01.		LIHUE AIRPORT, PARKING IMPROVEMENTS, KAUAI			
		DESIGN FOR ADDITIONAL EMPLOYEE PARKING FACILITIES TO RELIEVE OVERFLOW CONDITIONS.			
		DESIGN			1,000
		TOTAL FUNDING	TRN	E	1,000E
TRN163 - PORT ALLEN AIRPORT					
44.		PORT ALLEN AIRPORT, SECURITY FENCE IMPROVEMENTS, KAUAI			
		CONSTRUCTION FOR REPLACEMENT OF THE SECURITY FENCE, SOIL STABILIZATION, AND OTHER RELATED IMPROVEMENTS.			
		CONSTRUCTION		1,500	
		TOTAL FUNDING	TRN	1,500E	E

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
TRN195 - AIRPORTS ADMINISTRATION					
45.		AIRFIELD IMPROVEMENTS, STATEWIDE			
		DESIGN AND CONSTRUCTION FOR AIRFIELD IMPROVEMENTS AT STATEWIDE AIRPORTS. THIS PROJECT IS DEEMED NECESSARY TO QUALIFY FOR FEDERAL AID FINANCING AND/OR REIMBURSEMENT.			
		DESIGN		3,501	4,051
		CONSTRUCTION			41,451
		TOTAL FUNDING	TRN	3,500B	B
			TRN	E	45,500E
			TRN	1N	2N
46.		AIRPORT IMPROVEMENTS, STATEWIDE			
		CONSTRUCTION FOR IMPROVEMENTS AT STATEWIDE AIRPORTS PREVIOUSLY APPROVED BY THE FEDERAL AVIATION ADMINISTRATION FOR PASSENGER FACILITY CHARGE REIMBURSEMENT. (OTHER FUNDS FROM PASSENGER FACILITY CHARGES.)			
		CONSTRUCTION		7,200	53,000
		TOTAL FUNDING	TRN	7,200X	53,000X
47.		AIRPORT PLANNING STUDY, STATEWIDE			
		PLANS FOR AIRPORT IMPROVEMENTS, ECONOMIC STUDIES, RESEARCH, NOISE MONITORING STUDIES, NOISE COMPATIBILITY STUDIES, AND ADVANCE PLANNING OF FEDERAL AID AND NON-FEDERAL AID PROJECTS.			
		PLANS		1,650	1,000
		TOTAL FUNDING	TRN	1,650B	1,000B
48.		AIRPORTS DIVISION CAPITAL IMPROVEMENT PROGRAM PROJECT STAFF COSTS, STATEWIDE			
		PLANS, DESIGN, AND CONSTRUCTION FOR COSTS RELATED TO WAGES AND FRINGE BENEFITS FOR PERMANENT PROJECT FUNDED STAFF POSITIONS FOR THE IMPLEMENTATION OF CAPITAL IMPROVEMENT PROGRAM PROJECTS FOR THE DEPARTMENT OF TRANSPORTATION'S AIRPORTS DIVISION. PROJECT MAY ALSO INCLUDE FUNDS FOR NON-PERMANENT CAPITAL IMPROVEMENT PROGRAM RELATED POSITIONS (OTHER FUNDS FROM PASSENGER FACILITY CHARGES).			
		PLANS		300	300
		DESIGN		1,525	1,525
		CONSTRUCTION		2,200	2,200
		TOTAL FUNDING	TRN	3,900B	3,900B
			TRN	125X	125X

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
49.		CONSTRUCTION MANAGEMENT SUPPORT, STATEWIDE			
		CONSTRUCTION FOR CONSTRUCTION MANAGEMENT SUPPORT AT AIRPORT FACILITIES, STATEWIDE.			
		CONSTRUCTION		1,000	1,000
		TOTAL FUNDING TRN		1,000 B	1,000 B
50.		FIRE ALARM SYSTEM IMPROVEMENTS, STATEWIDE			
		DESIGN AND CONSTRUCTION FOR FIRE ALARM SYSTEM IMPROVEMENTS AND OTHER RELATED IMPROVEMENTS AT STATEWIDE AIRPORTS.			
		DESIGN		2,000	
		CONSTRUCTION			20,000
		TOTAL FUNDING TRN		2,000 E	20,000 E
51.		MISCELLANEOUS AIRPORT PROJECTS, STATEWIDE			
		DESIGN AND CONSTRUCTION OF IMPROVEMENTS AT VARIOUS STATE AIRPORTS. IMPROVEMENTS FOR SAFETY AND CERTIFICATION REQUIREMENTS, OPERATIONAL EFFICIENCY, AND PROJECTS REQUIRED FOR AIRPORT RELATED DEVELOPMENT.			
		DESIGN		1,000	1,000
		CONSTRUCTION		2,500	2,500
		TOTAL FUNDING TRN		3,500 B	3,500 B
52.		PROGRAM MANAGEMENT, STATEWIDE			
		DESIGN FOR THE PROGRAM MANAGEMENT OF THE MODERNIZATION PROGRAM AT AIRPORTS STATEWIDE.			
		DESIGN		1,000	1,000
		TOTAL FUNDING TRN		1,000 E	1,000 E
53.		RUNWAY SAFETY AREA IMPROVEMENTS, STATEWIDE			
		DESIGN FOR RUNWAY SAFETY AREA IMPROVEMENTS AND OTHER RELATED IMPROVEMENTS AT STATEWIDE AIRPORTS.			
		DESIGN		2,000	3,000
		TOTAL FUNDING TRN		2,000 B	B
				E	3,000 E
54.		STORMWATER PERMIT COMPLIANCE, STATEWIDE			
		CONSTRUCTION FOR ENVIRONMENTAL IMPROVEMENTS AT STATEWIDE AIRPORTS, INCLUDING INSTALLATION OF WASHRACKS, AND OTHER RELATED IMPROVEMENTS.			
		CONSTRUCTION		2,000	
		TOTAL FUNDING TRN		2,000 E	E

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL YEAR 2017-2018	FISCAL YEAR 2018-2019
54.01.		WATER SCALPING, STATEWIDE			
		CONSTRUCTION FOR EXPANDING THE NON-POTABLE WATER SYSTEMS AT AIRPORTS STATEWIDE. THIS PROJECT IS DEEMED NECESSARY TO QUALIFY FOR FEDERAL AID FINANCING AND/OR REIMBURSEMENT.			
		CONSTRUCTION			6,400
		TOTAL FUNDING	TRN	N	6,400N
54.02.		RENTAL CAR FACILITY IMPROVEMENTS, STATEWIDE			
		DESIGN AND CONSTRUCTION TO PROVIDE CONSOLIDATED CAR RENTAL FACILITIES FOR THE RENTAL CAR AGENCIES AND OTHER RELATED IMPROVEMENTS.			
		DESIGN			2,000
		CONSTRUCTION			65,000
		TOTAL FUNDING	TRN	E	67,000E
54.03.		FIBER OPTIC INSTALLATION, STATEWIDE			
		CONSTRUCTION FOR THE INSTALLATION OF FIBER OPTIC CABLE FOR INTERNET CONNECTIVITY AT AIRPORTS STATEWIDE AND OTHER RELATED IMPROVEMENTS.			
		CONSTRUCTION			3,500
		TOTAL FUNDING	TRN	E	3,500E
TRN301 - HONOLULU HARBOR					
55.		MODERNIZATION PROGRAM - PIER 24-28 IMPROVEMENTS, HONOLULU HARBOR, OAHU			
		DESIGN AND CONSTRUCTION OF IMPROVEMENTS TO ADDRESS HEALTH AND SAFETY NEEDS, OPTIMIZE ENERGY AND OPERATIONAL EFFICIENCIES, AND PROVIDE ESSENTIAL INFRASTRUCTURE.			
		DESIGN			361
		CONSTRUCTION			6,001
		TOTAL FUNDING	TRN	B	2B
			TRN	E	6,360E
56.		PIERS 24-25 REPAIRS & IMPROVEMENTS, HONOLULU HARBOR, OAHU			
		DESIGN AND CONSTRUCTION FOR REPAIRS TO PIER STRUCTURES AND INFRASTRUCTURE IMPROVEMENTS RELATED TO CONCRETE RESURFACING AND PAVEMENT AND STORMWATER CONTAINMENT.			
		DESIGN		1	
		CONSTRUCTION		19,999	
		TOTAL FUNDING	TRN	20,000E	E

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)		
				FISCAL YEAR 2017-2018	FISCAL YEAR 2018-2019	
56.01.		PIER 1 AND 2 IMPROVEMENTS, HONOLULU HARBOR, OAHU				
		DESIGN AND CONSTRUCTION FOR IMPROVEMENTS TO CONTAINER-CARGO AND CRUISE SHIP OPERATIONAL AREAS.				
		DESIGN			201	
		CONSTRUCTION			20,001	
		TOTAL FUNDING	TRN	B	2B	
			TRN	E	20,200E	
56.02.		IMPROVEMENTS TO HARBORS DIVISION BUILDINGS AND ASSOCIATED FACILITIES, HNL HARBOR, OAHU				
		DESIGN OF IMPROVEMENTS TO THE HARBORS DIVISION BUILDINGS AND ASSOCIATED FACILITIES IN HONOLULU HARBOR, OAHU.				
		DESIGN			3,402	
		TOTAL FUNDING	TRN	B	1B	
			TRN	E	3,400E	
			TRN	R	1R	
56.03.		IMPROVEMENTS TO ALOHA TOWER AND ALOHA TOWER MARKETPLACE COMPLEX, HONOLULU HARBOR, OAHU				
		DESIGN OF IMPROVEMENTS TO ADDRESS HEALTH, SAFETY, ENERGY/OPERATIONAL EFFICIENCIES, AND ESSENTIAL INFRASTRUCTURE ISSUES THAT IMPACT THE HISTORIC ALOHA TOWER AND THE ALOHA TOWER MARKETPLACE COMPLEX.				
		DESIGN			1,002	
		TOTAL FUNDING	TRN	B	1B	
			TRN	E	1,000E	
			TRN	R	1R	
56.04.		KEEHI INDUSTRIAL LOTS IMPROVEMENTS, HONOLULU HARBOR, OAHU				
		DESIGN AND CONSTRUCTION FOR SITE IMPROVEMENTS AT KEEHI INDUSTRIAL LOTS INCLUDING NEW INFRASTRUCTURE AND OTHER IMPROVEMENTS.				
		DESIGN			1,751	
		CONSTRUCTION			17,501	
		TOTAL FUNDING	TRN	B	2B	
			TRN	E	19,250E	

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
TRN311 - HILO HARBOR					
56.05.		DEMOLITION OF PIER 2 SHED AND WATER TOWER AND RELATED IMPROVEMENTS, HILO HARBOR, HAWAII			
		DESIGN AND CONSTRUCTION OF THE DEMOLITION OF THE PIER 2 SHED AND WATER TOWER, AND RELATED IMPROVEMENTS INCLUDING, BUT NOT LIMITED TO, CONTINUE WATER DISTRIBUTION FOR DOMESTIC/FIRE SUPPRESSION AND PAVING FOR NEWLY CREATED CARGO OPERATIONAL AREA.			
		DESIGN			201
		CONSTRUCTION			2,001
		TOTAL FUNDING	TRN	B	2 B
			TRN	E	2,200 E
TRN331 - KAHULUI HARBOR					
56.06.		KAHULUI HARBOR IMPROVEMENTS, MAUI			
		DESIGN AND CONSTRUCTION OF CAPITAL IMPROVEMENTS THAT WILL PROVIDE FOR SAFER AND MORE EFFICIENT USE OF OPERATIONAL AREAS AT KAHULUI HARBOR, MAUI.			
		DESIGN			1,601
		CONSTRUCTION			16,001
		TOTAL FUNDING	TRN	B	2 B
			TRN	E	17,600 E
56.07.		MODERNIZATION PROGRAM - KAHULUI HARBOR LAND ACQUISITION AND IMPROVEMENTS, MAUI			
		LAND ACQUISITION AND DESIGN FOR IMPROVEMENTS OF THE ACQUIRED LAND INCLUDING DEMOLITION OF EXISTING STRUCTURES, PAVING, UTILITIES, LANDSCAPING, FENCING, AND OTHER RELATED SITEWORK IMPROVEMENTS.			
		LAND			15,001
		DESIGN			2,001
		TOTAL FUNDING	TRN	B	2 B
			TRN	E	17,000 E
TRN361 - NAWILIWILI HARBOR					
57.		IMPROVEMENTS AT PIER 2 AND 3 AREAS, NAWILIWILI HARBOR, KAUAI			
		DESIGN AND CONSTRUCTION TO ADDRESS STORM WATER RUN-OFF, EROSION, SUBSIDENCE, AND PASSENGER SAFETY ISSUES DUE TO UNPAVED OR UNEVEN TERRAIN, INEFFECTIVE DRAINAGE, AND/OR SUBSURFACE IRREGULARITIES.			
		DESIGN			501
		CONSTRUCTION			7,001
		TOTAL FUNDING	TRN	2 B	B
			TRN	7,500 E	E

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
TRN395 - HARBORS ADMINISTRATION					
58.		ARCHITECTURAL AND ENGINEERING SUPPORT, STATEWIDE PLANS AND DESIGN FOR CONSULTANT SERVICES FOR DEVELOPMENT OF COMMERCIAL HARBOR FACILITIES, STATEWIDE.			
		PLANS		1	1
		DESIGN		3,499	3,499
		TOTAL FUNDING TRN		3,500 B	3,500 B
59.		COMMERCIAL HARBOR ENVIRONMENTAL RETROFITS, STATEWIDE PLANS AND DESIGN FOR RETROFITTING EXISTING CIP IMPROVEMENTS WITH PERMANENT BEST MANAGEMENT PRACTICES (BMP) FEATURES IN ACCORDANCE WITH EPA CONSENT DECREE, STATEWIDE.			
		PLANS		100	
		DESIGN			400
		TOTAL FUNDING TRN		100 B	400 B
60.		COMMERCIAL HARBOR FACILITY IMPROVEMENTS, STATEWIDE PLANS, DESIGN, AND CONSTRUCTION OF SHORE-SIDE AND WATER-SIDE IMPROVEMENTS FOR COMMERCIAL HARBOR FACILITIES, STATEWIDE.			
		PLANS		3	899
		DESIGN			1,802
		CONSTRUCTION			30,002
		TOTAL FUNDING TRN		3 B	3 B
				E	32,700 E
61.		CONSTRUCTION MANAGEMENT SUPPORT, STATEWIDE CONSTRUCTION FOR CONSULTANT SERVICES FOR CONSTRUCTION PROJECTS AT HARBOR FACILITIES, STATEWIDE.			
		CONSTRUCTION		500	500
		TOTAL FUNDING TRN		500 B	500 B
62.		ENVIRONMENTAL REMEDIATION OF COMMERCIAL HARBOR FACILITIES, STATEWIDE PLANS, DESIGN, AND CONSTRUCTION FOR ASSESSMENT, MITIGATION, AND/OR REMEDIATION OF ENVIRONMENTAL CONDITIONS AT COMMERCIAL HARBOR FACILITIES, STATEWIDE.			
		PLANS		100	100
		DESIGN		200	200
		CONSTRUCTION		1,200	1,200
		TOTAL FUNDING TRN		1,500 B	1,500 B

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL YEAR 2017-2018	FISCAL YEAR 2018-2019
63.		HARBOR PLANNING, STATEWIDE			
		PLANS FOR CONTINUING HARBOR STUDIES, RESEARCH, AND ADVANCE PLANNING OF HARBOR AND TERMINAL FACILITIES ON ALL ISLANDS, STATEWIDE.			
		PLANS		1,500	1,500
		TOTAL FUNDING	TRN	1,500 B	1,500 B
64.		MODERNIZATION PROGRAM - CONSTRUCTION MANAGEMENT SUPPORT, STATEWIDE			
		CONSTRUCTION FOR CONSULTANT SERVICES DURING CONSTRUCTION OF MODERNIZATION PROGRAM PROJECTS AT COMMERCIAL HARBOR FACILITIES, STATEWIDE.			
		CONSTRUCTION		5,000	5,000
		TOTAL FUNDING	TRN	5,000 E	5,000 E
65.		MODERNIZATION PROGRAM - HARBORS DIVISION CIP PROJECT STAFF COSTS, STATEWIDE			
		PLANS FOR COSTS RELATED TO WAGES AND FRINGE BENEFITS FOR PERMANENT HARBOR MODERNIZATION PLAN PROJECT FUNDED STAFF POSITIONS FOR THE IMPLEMENTATION OF MODERNIZATION PROGRAM PROJECTS FOR THE DEPARTMENT OF TRANSPORTATION'S HARBORS DIVISION, STATEWIDE. PROJECTS MAY ALSO INCLUDE FUNDS FOR NON-PERMANENT CAPITAL IMPROVEMENT PROGRAM RELATED POSITIONS.			
		PLANS		2,000	2,000
		TOTAL FUNDING	TRN	2,000 E	2,000 E
66.		SECURITY IMPROVEMENTS AT COMMERCIAL HARBORS, STATEWIDE			
		PLANS, DESIGN, AND CONSTRUCTION FOR SECURITY SYSTEM IMPROVEMENTS AT COMMERCIAL HARBOR FACILITIES, STATEWIDE. THIS PROJECT IS DEEMED NECESSARY TO QUALIFY FOR FEDERAL AID FINANCING AND/OR REIMBURSEMENT.			
		PLANS		31	31
		DESIGN		61	61
		CONSTRUCTION		1,001	1,001
		TOTAL FUNDING	TRN	1,090 B	1,090 B
			TRN	3 P	3 P
66.01.		IMPROVEMENTS TO CRUISE SHIP FACILITIES, STATEWIDE			
		DESIGN AND CONSTRUCTION FOR IMPROVEMENTS TO CRUISE SHIP FACILITIES, STATEWIDE.			
		DESIGN			1,201
		CONSTRUCTION			12,002
		TOTAL FUNDING	TRN	B	2 B
			TRN	E	13,200 E
			TRN	R	1 R

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL YEAR 2017-2018	FISCAL YEAR 2018-2019
66.02.		"I HEART RADIO" AERIAL, OAHU			
		PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, EQUIPMENT, AND RELATED COSTS FOR THE RELOCATION, IN WHOLE OR IN PART, OF THE "I HEART RADIO" AERIAL LOCATED NEAR THE KAPALAMA CANAL ON DILLINGHAM BLVD TO AN APPROPRIATE LOCATION OR LOCATIONS; PROVIDED THAT SUCH RELOCATION MAY BE DONE IN PHASES. THE LEGISLATURE FINDS AND DECLARES THAT THE APPROPRIATION IS IN THE PUBLIC INTEREST AND FOR THE PUBLIC'S HEALTH, SAFETY AND GENERAL WELFARE OF THE STATE.			
		PLANS			1
		LAND			1
		DESIGN			1
		CONSTRUCTION			4,996
		EQUIPMENT			1
		TOTAL FUNDING	TRN	C	5,000C
TRN333 - HANA HARBOR					
67.		REMOVE HANA PIER SUPERSTRUCTURE, HANA HARBOR, MAUI			
		DESIGN AND CONSTRUCTION OF IMPROVEMENTS TO REMOVE THE HANA PIER SUPERSTRUCTURE.			
		DESIGN		201	
		CONSTRUCTION		3,501	
		TOTAL FUNDING	TRN	2B	B
			TRN	3,700E	E
TRN501 - OAHU HIGHWAYS					
68.		CULVERT ASSESSMENT AND REMEDIATION, OAHU			
		DESIGN AND CONSTRUCTION TO ASSESS CULVERTS AND REPAIR AND/OR REPLACE CULVERTS REQUIRING REMEDIATION.			
		DESIGN			1,000
		CONSTRUCTION			500
		TOTAL FUNDING	TRN	E	1,500E
69.		EROSION CONTROL PROGRAM FOR STATE HIGHWAYS AND FACILITIES, OAHU			
		CONSTRUCTION FOR PERMANENT EROSION CONTROL MITIGATION MEASURES ON STATE HIGHWAYS AND FACILITIES ON OAHU.			
		CONSTRUCTION		4,000	2,000
		TOTAL FUNDING	TRN	4,000E	2,000E

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL YEAR 2017-2018	FISCAL YEAR 2018-2019
70.		FARRINGTON HIGHWAY, MAKAHA BRIDGES NO. 3 AND NO. 3A REPLACEMENT, OAHU			
		CONSTRUCTION FOR THE REPLACEMENT OF BRIDGES NO. 3 AND 3A IN THE VICINITY OF MAKAHA BEACH PARK TO INCLUDE SIDEWALKS, BRIDGE RAILINGS, AND OTHER IMPROVEMENTS. THIS PROJECT IS DEEMED NECESSARY TO QUALIFY FOR FEDERAL AID FINANCING AND/OR REIMBURSEMENT.			
		CONSTRUCTION		10,000	
		TOTAL FUNDING	TRN	2,000E	E
			TRN	8,000N	N
71.		FARRINGTON HIGHWAY, REHABILITATION OF KAUPUNI STREAM BRIDGE, OAHU			
		LAND ACQUISITION AND DESIGN FOR THE REHABILITATION OF KAUPUNI STREAM BRIDGE. THIS PROJECT IS DEEMED NECESSARY TO QUALIFY FOR FEDERAL AID FINANCING AND/OR REIMBURSEMENT.			
		LAND DESIGN			350
		TOTAL FUNDING	TRN	E	1,150
			TRN	N	300E
					1,200N
72.		FREEWAY DESTINATION SIGN UPGRADE/REPLACEMENT, OAHU			
		DESIGN AND CONSTRUCTION FOR REPLACING AND/OR UPGRADING THE EXISTING FREEWAY DESTINATION SIGNS AND SIGN SUPPORT STRUCTURES. THIS PROJECT IS DEEMED NECESSARY TO QUALIFY FOR FEDERAL AID FINANCING AND/OR REIMBURSEMENT.			
		DESIGN			675
		CONSTRUCTION		3,000	
		TOTAL FUNDING	TRN	600E	85E
			TRN	2,400N	590N
73.		FREEWAY MANAGEMENT SYSTEM, OAHU			
		DESIGN AND CONSTRUCTION FOR A FREEWAY MANAGEMENT SYSTEM, INCLUDING INTELLIGENT TRANSPORTATION SYSTEMS TECHNOLOGIES AND INTERAGENCY COORDINATION, TO MONITOR AND MANAGE TRAFFIC OPERATIONS. THIS PROJECT IS DEEMED NECESSARY TO QUALIFY FOR FEDERAL AID FINANCING AND/OR REIMBURSEMENT.			
		DESIGN			2,500
		CONSTRUCTION			7,500
		TOTAL FUNDING	TRN	E	2,000E
			TRN	N	8,000N

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
74.		HIGHWAY LIGHTING REPLACEMENT AT VARIOUS LOCATIONS, OAHU			
		CONSTRUCTION FOR REPLACING AND/OR UPGRADING THE EXISTING HIGHWAY LIGHTING SYSTEM ON STATE HIGHWAYS. THIS PROJECT IS DEEMED NECESSARY TO QUALIFY FOR FEDERAL AID FINANCING AND/OR REIMBURSEMENT.			
		CONSTRUCTION		6,500	13,000
		TOTAL FUNDING	TRN	1,300 E	2,600 E
			TRN	5,200 N	10,400 N
75.		INTERSTATE ROUTE H-1 CORRIDOR IMPROVEMENTS, OAHU			
		PLANS TO IMPLEMENT SHORT TERM PRIORITY PROJECTS IDENTIFIED IN THE H-1 CORRIDOR STUDY THAT WILL MEET CURRENT AND FUTURE CAPACITY REQUIREMENTS OF THE H-1 CORRIDOR. THIS PROJECT IS DEEMED NECESSARY TO QUALIFY FOR FEDERAL AID FINANCING AND/OR REIMBURSEMENT.			
		PLANS		2,000	
		TOTAL FUNDING	TRN	400 E	E
			TRN	1,600 N	N
76.		INTERSTATE ROUTE H-1, AIRPORT VIADUCT IMPROVEMENTS, VICINITY OF VALKENBURGH ST TO MIDDLE ST, OAHU			
		DESIGN AND CONSTRUCTION FOR IMPROVEMENTS TO THE AIRPORT VIADUCT, INCLUDING DECK REPAIRS AND SEALING, AND GUARDRAIL AND PLANTER BOX REPAIRS. THIS PROJECT IS DEEMED NECESSARY TO QUALIFY FOR FEDERAL AID FINANCING AND/OR REIMBURSEMENT.			
		DESIGN		2,000	
		CONSTRUCTION		20,000	20,000
		TOTAL FUNDING	TRN	4,400 E	4,000 E
			TRN	17,600 N	16,000 N
77.		INTERSTATE ROUTE H-1, VICINITY OF WAIKELE TO VICINITY OF HALAWA, OAHU.			
		CONSTRUCTION FOR MODIFICATIONS TO H-1 FREEWAY AND VIADUCT STRUCTURE. THIS PROJECT IS DEEMED NECESSARY TO QUALIFY FOR FEDERAL AID FINANCING AND/OR REIMBURSEMENT.			
		CONSTRUCTION		80,000	
		TOTAL FUNDING	TRN	40,000 E	E
			TRN	40,000 N	N

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL YEAR 2017-2018	FISCAL YEAR 2018-2019
78.		INTERSTATE ROUTE H-3, FINISH WORK AND MITIGATION, JUNCTION AT H-1 TO KMCAS, OAHU			
		DESIGN AND CONSTRUCTION FOR A DIVIDED HIGHWAY FROM JUNCTION H-1 TO KANEOHE MARINE CORPS AIR STATION. THIS PROJECT IS DEEMED NECESSARY TO QUALIFY FOR FEDERAL AID FINANCING AND/OR REIMBURSEMENT.			
		DESIGN		1,500	
		CONSTRUCTION			26,500
		TOTAL FUNDING	TRN	300E	3,150E
			TRN	1,200N	23,350N
79.		INTERSTATE ROUTE H-3, PORTAL BUILDINGS IMPROVEMENTS, OAHU			
		CONSTRUCTION FOR THE REMOVAL OF EXISTING ROOF AND INSTALLATION OF NEW ROOFING FOR THE H-3 PORTAL BUILDINGS AND OTHER INCIDENTAL WORK.			
		CONSTRUCTION		3,350	
		TOTAL FUNDING	TRN	3,350E	E
80.		INTERSTATE ROUTE H-3, TUNNEL IMPROVEMENTS, OAHU			
		DESIGN AND CONSTRUCTION FOR IMPROVEMENTS AT THE H-3 TUNNELS, INCLUDING THE INSTALLATION OF EXHAUST FAN RAIN HOODS, UPGRADING MOTOR CONTROL CENTER RESISTANCE TEMPERATURE DETECTOR "RTD" MODULES, AND OTHER MISCELLANEOUS IMPROVEMENTS.			
		DESIGN		700	
		CONSTRUCTION			5,200
		TOTAL FUNDING	TRN	700E	5,200E
81.		KAHEKILI HIGHWAY, OAHU			
		LAND ACQUISITION AND DESIGN FOR HIGHWAY WIDENING AND OTHER IMPROVEMENTS TO PROVIDE CORRIDOR CAPACITY AND OPERATIONAL IMPROVEMENTS FROM LIKELIKE HIGHWAY TO KAMEHAMEHA HIGHWAY. THIS PROJECT IS DEEMED NECESSARY TO QUALIFY FOR FEDERAL AID FINANCING AND/OR REIMBURSEMENT.			
		LAND		1,000	
		DESIGN		750	
		TOTAL FUNDING	TRN	350E	E
			TRN	1,400N	N

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
82.		KALAELOA TO HAKIMO ROAD, OAHU			
		PLANS, DESIGN, AND CONSTRUCTION FOR EXTENSION OF THE FIFTH LANE OF FARRINGTON HIGHWAY AND FOR SAFETY IMPROVEMENTS, PRESERVATION OF EXISTING INFRASTRUCTURE, AND TRAFFIC CONGESTION RELIEF ALONG WAIANAЕ COAST; GROUND AND SITE IMPROVEMENTS.			
		PLANS		1	
		DESIGN		299	
		CONSTRUCTION		2,700	
		TOTAL FUNDING	TRN	3,000 E	E
83.		KALANIANAOLE HIGHWAY, INOAOLE STREAM BRIDGE REHABILITATION AND/OR REPLACEMENT, OAHU			
		CONSTRUCTION FOR THE REHABILITATION AND/OR REPLACEMENT OF THE INOAOLE STREAM BRIDGE WITH A LARGER BRIDGE, INCLUDING IMPROVEMENTS TO THE ROADWAY APPROACHES, DETOUR ROAD, AND UTILITY RELOCATIONS. THIS PROJECT IS DEEMED NECESSARY TO QUALIFY FOR FEDERAL AID FINANCING AND/OR REIMBURSEMENT.			
		CONSTRUCTION			2,600
		TOTAL FUNDING	TRN	E	520 E
			TRN	N	2,080 N
84.		KAMEHAMEHA HIGHWAY, HELEMANO-WAIALUA JUNCTION TO HALEIWA BEACH PARK, OAHU			
		CONSTRUCTION FOR ENHANCED WETLANDS IN THE VICINITY OF UKOA POND. THIS PROJECT IS DEEMED NECESSARY TO QUALIFY FOR FEDERAL AID FINANCING AND/OR REIMBURSEMENT.			
		CONSTRUCTION		6,500	
		TOTAL FUNDING	TRN	1,300 E	E
			TRN	5,200 N	N
85.		KAMEHAMEHA HIGHWAY, KALUANUI STREAM BRIDGE REPLACEMENT, OAHU			
		LAND ACQUISITION AND CONSTRUCTION FOR REPLACEMENT OF KALUANUI STREAM BRIDGE TO INCLUDE SIDEWALKS, BRIDGE RAILINGS, AND OTHER IMPROVEMENTS. THIS PROJECT IS DEEMED NECESSARY TO QUALIFY FOR FEDERAL AID FINANCING AND/OR REIMBURSEMENT.			
		LAND		800	
		CONSTRUCTION			10,000
		TOTAL FUNDING	TRN	160 E	2,000 E
			TRN	640 N	8,000 N

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL YEAR 2017-2018	FISCAL YEAR 2018-2019
86.		KAMEHAMEHA HIGHWAY, SOUTH KAHANA STREAM BRIDGE REHABILITATION AND/OR REPLACEMENT, OAHU			
		CONSTRUCTION FOR REHABILITATION AND/OR REPLACEMENT OF SOUTH KAHANA STREAM BRIDGE. THIS PROJECT IS DEEMED NECESSARY TO QUALIFY FOR FEDERAL AID FINANCING AND/OR REIMBURSEMENT.			
		CONSTRUCTION		750	
		TOTAL FUNDING	TRN	150E	E
			TRN	600N	N
87.		LANIAKEA HWY, OAHU			
		DESIGN AND CONSTRUCTION FOR THE REALIGNMENT OF KAMEHAMEHA HWY AT LANIAKEA BEACH PARK; GROUND AND SITE IMPROVEMENTS.			
		DESIGN		1,500	
		CONSTRUCTION		13,500	
		TOTAL FUNDING	TRN	15,000E	E
88.		MISCELLANEOUS PERMANENT BEST MANAGEMENT PRACTICES, OAHU			
		LAND ACQUISITION, DESIGN, AND CONSTRUCTION FOR PERMANENT BEST MANAGEMENT PRACTICE IMPROVEMENTS TO EXISTING HIGHWAY FACILITIES INCLUDING INSTALLATION OF STRUCTURAL AND NATURAL BEST MANAGEMENT PRACTICES AT VARIOUS LOCATIONS ON OAHU.			
		LAND		100	100
		DESIGN			750
		CONSTRUCTION		2,300	2,200
		TOTAL FUNDING	TRN	2,400E	3,050E
89.		OAHU BIKEWAYS, OAHU			
		LAND ACQUISITION FOR A MULTI-USE PATH FROM THE VICINITY OF WAIPIO POINT ACCESS ROAD TO LUALUALEI NAVAL ROAD. THIS PROJECT IS DEEMED NECESSARY TO QUALIFY FOR FEDERAL AID FINANCING AND/OR REIMBURSEMENT.			
		LAND			2,000
		TOTAL FUNDING	TRN	E	400E
			TRN	N	1,600N

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL YEAR 2017-2018	FISCAL YEAR 2018-2019
90.		TRAFFIC OPERATIONAL IMPROVEMENTS TO EXISTING INTERSECTIONS AND HIGHWAYS FACILITIES, OAHU			
		DESIGN AND CONSTRUCTION FOR MISCELLANEOUS IMPROVEMENTS TO EXISTING INTERSECTIONS AND HIGHWAY FACILITIES NECESSARY FOR IMPROVED TRAFFIC OPERATIONS INCLUDING ELIMINATING CONSTRUCTIONS, MODIFYING AND/OR INSTALLING TRAFFIC SIGNALS, CONSTRUCTING TURNING LANES, ACCELERATION AND/OR DECELERATION LANES, AND OTHER IMPROVEMENTS FOR MORE EFFICIENT TRAFFIC FLOW.			
		DESIGN			200
		CONSTRUCTION		1,000	
		TOTAL FUNDING	TRN	1,000E	200E
91.		WAIHAOLE BRIDGE REPLACEMENT, KAMEHAMEHA HIGHWAY, OAHU			
		LAND ACQUISITION AND CONSTRUCTION FOR THE REPLACEMENT OF THE EXISTING CONCRETE STRUCTURE. THIS PROJECT IS DEEMED NECESSARY TO QUALIFY FOR FEDERAL AID FINANCING AND/OR REIMBURSEMENT.			
		LAND		750	
		CONSTRUCTION			12,000
		TOTAL FUNDING	TRN	150E	2,400E
			TRN	600N	9,600N
92.		REPAIR TO ROADS, OAHU			
		CONSTRUCTION FOR PROJECTS LISTED IN ACT 194, SLH 2016 FOR REPAIR WORK, INCLUDING FLOOD MITIGATION AND INSTALLATION OF DRAINAGE INFRASTRUCTURE AND RESURFACING.			
		CONSTRUCTION		1,000	
		TOTAL FUNDING	TRN	1,000C	C
92.01.		FARRINGTON HIGHWAY, REPLACEMENT OF MAIPALAOA BRIDGE, OAHU			
		CONSTRUCTION FOR REPLACEMENT OF A PRE-STRESSED TEE-BEAM BRIDGE ON FARRINGTON HIGHWAY IN THE VICINITY OF MAILI. THIS PROJECT IS DEEMED NECESSARY TO QUALIFY FOR FEDERAL AID FINANCING AND/OR REIMBURSEMENT.			
		CONSTRUCTION			20,000
		TOTAL FUNDING	TRN	E	4,000E
			TRN	N	16,000N

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL YEAR 2017-2018	FISCAL YEAR 2018-2019
92.02.		SAND ISLAND ACCESS ROAD, TRUCK WEIGH STATION, OAHU			
		CONSTRUCTION OF A TRUCK WEIGH STATION ON SAND ISLAND ACCESS ROAD. THIS PROJECT IS DEEMED NECESSARY TO QUALIFY FOR FEDERAL AID FINANCING AND/OR REIMBURSEMENT.			
		CONSTRUCTION			500
		TOTAL FUNDING	TRN	E	100E
			TRN	N	400N
92.03.		KAMEHAMEHA HIGHWAY, KAIPAPAU STREAM BRIDGE REPLACEMENT AND/OR REHABILITATION, OAHU			
		LAND ACQUISITION AND CONSTRUCTION FOR REPLACEMENT AND/OR REHABILITATION OF KAIPAPAU STREAM BRIDGE TO INCLUDE SIDEWALKS, BRIDGE RAILINGS, AND OTHER IMPROVEMENTS. THIS PROJECT IS DEEMED NECESSARY TO QUALIFY FOR FEDERAL AID FINANCING AND/OR REIMBURSEMENT.			
		LAND			1,000
		CONSTRUCTION			18,000
		TOTAL FUNDING	TRN	E	3,800E
			TRN	N	15,200N
92.04.		GUARDRAIL AND SHOULDER IMPROVEMENTS, VARIOUS LOCATIONS, OAHU			
		CONSTRUCTION FOR INSTALLING AND/OR UPGRADING THE EXISTING GUARDRAILS, END TERMINALS, TRANSITIONS, BRIDGE RAILING, BRIDGE ENDPOSTS AND CRASH ATTENUATORS AND UPGRADING SHOULDERS. THIS PROJECT IS DEEMED NECESSARY TO QUALIFY FOR FEDERAL AID FINANCING AND/OR REIMBURSEMENT.			
		CONSTRUCTION			10,000
		TOTAL FUNDING	TRN	E	2,000E
			TRN	N	8,000N
92.05.		KAMEHAMEHA HIGHWAY, REHABILITATION AND/OR REPLACEMENT OF LAIELOA STREAM BRIDGE, OAHU			
		CONSTRUCTION FOR REHABILITATION AND/OR REPLACEMENT OF A CONCRETE SLAB BRIDGE ON KAMEHAMEHA HIGHWAY IN THE VICINITY OF LAIE TO INCLUDE BRIDGE RAILINGS, WALKWAYS, AND OTHER IMPROVEMENTS. THIS PROJECT IS DEEMED NECESSARY TO QUALIFY FOR FEDERAL AID FINANCING AND/OR REIMBURSEMENT.			
		CONSTRUCTION			10,000
		TOTAL FUNDING	TRN	E	2,000E
			TRN	N	8,000N

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL YEAR 2017-2018	FISCAL YEAR 2018-2019
92.06.		KAMEHAMEHA HIGHWAY, REHABILITATION AND/OR REPLACEMENT OF WAIPILOPILO STREAM BRIDGE, OAHU			
		CONSTRUCTION FOR REHABILITATION AND/OR REPLACEMENT OF A CONCRETE TEE-BRIDGE ON KAMEHAMEHA HIGHWAY IN THE VICINITY OF HAUULA TO INCLUDE BRIDGE RAILINGS, WALKWAYS, AND OTHER IMPROVEMENTS. THIS PROJECT IS DEEMED NECESSARY TO QUALIFY FOR FEDERAL AID FINANCING AND/OR REIMBURSEMENT.			
		CONSTRUCTION			3,000
		TOTAL FUNDING	TRN	E	600E
			TRN	N	2,400N
92.07.		FARRINGTON HIGHWAY, ULEHAWA STREAM BRIDGE REHABILITATION AND/OR REPLACEMENT, OAHU			
		CONSTRUCTION FOR THE REHABILITATION AND/OR REPLACEMENT OF ULEHAWA STREAM BRIDGE. THIS PROJECT IS DEEMED NECESSARY TO QUALIFY FOR FEDERAL AID FINANCING AND/OR REIMBURSEMENT.			
		CONSTRUCTION			8,500
		TOTAL FUNDING	TRN	E	1,700E
			TRN	N	6,800N
92.08.		KAMEHAMEHA HIGHWAY, WAIALEE STREAM BRIDGE REPLACEMENT, OAHU			
		LAND ACQUISITION FOR THE REPLACEMENT OF WAIALEE STREAM BRIDGE. THIS PROJECT IS DEEMED NECESSARY TO QUALIFY FOR FEDERAL AID FINANCING AND/OR REIMBURSEMENT.			
		LAND			750
		TOTAL FUNDING	TRN	E	150E
			TRN	N	600N
92.09.		KAMEHAMEHA HIGHWAY, PAUMALU BRIDGE REHABILITATION, OAHU			
		DESIGN FOR REPLACEMENT OF PAUMALU STREAM BRIDGE TO MEET CURRENT STATE AND FEDERAL DESIGN GUIDELINES. THIS PROJECT IS DEEMED NECESSARY TO QUALIFY FOR FEDERAL-AID FINANCING AND/OR REIMBURSEMENT.			
		DESIGN			1,031
		TOTAL FUNDING	TRN	E	1,030E
			TRN	N	1N

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
92.10.		KAMEHAMEHA HIGHWAY, WAIMANANA BRIDGE REPLACEMENT, OAHU			
		DESIGN FOR REPLACEMENT OF WAIMANANA BRIDGE TO MEET CURRENT STATE AND FEDERAL DESIGN GUIDELINES. THIS PROJECT IS DEEMED NECESSARY TO QUALIFY FOR FEDERAL-AID FINANCING AND/OR REIMBURSEMENT.			
		DESIGN			921
		TOTAL FUNDING	TRN	E	920E
			TRN	N	1N
92.11.		FORT WEAVER ROAD, OAHU			
		PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR ADDING A THIRD LANE AND SIDEWALK IMPROVEMENTS ON FORT WEAVER ROAD FROM THE CROSS SECTION OF GEIGER ROAD TO KEONEULA BOULEVARD GOING BOTH WAYS.			
		PLANS			1
		LAND			1
		DESIGN			2,997
		CONSTRUCTION			30,000
		EQUIPMENT			1
		TOTAL FUNDING	TRN	E	6,600E
			TRN	N	26,400N
92.12.		KUNIA EAST BOUND ON-RAMP, OAHU			
		DESIGN FOR A KUNIA EAST BOUND ON-RAMP; EQUIPMENT AND APPURTENANCES.			
		DESIGN			2,500
		TOTAL FUNDING	TRN	C	2,500C
92.13.		PAAKEA ROAD CONDEMNATION, OAHU			
		LAND ACQUISITION OF THE LOCKED PORTION OF PAAKEA ROAD TO EXTEND THE DAILY PARALLEL ROUTE FOR THE WAIANAEO COAST.			
		LAND			2,000
		TOTAL FUNDING	TRN	C	2,000C
TRN511 - HAWAII HIGHWAYS					
93.		4 MILE CREEK BRIDGE, HAWAII			
		CONSTRUCTION TO REPLACE THE CURRENT ONE-LANE BRIDGE FOR THE COMMUTERS BETWEEN HILO AND PUNA.			
		CONSTRUCTION			13,000
		TOTAL FUNDING	TRN		13,000E
94.		ACCELERATION LANES FOR HWY 11, HAWAII			
		CONSTRUCTION OF AN ACCELERATION LANE ON HWY 11.			
		CONSTRUCTION			2,000
		TOTAL FUNDING	TRN		2,000E

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
95.		AKONI PULE HIGHWAY, REALIGNMENT AND WIDENING AT AAMAKAO GULCH, HAWAII			
		CONSTRUCTION FOR REALIGNMENT AND WIDENING OF AKONI PULE HIGHWAY ON THE POLOLU VALLEY SIDE OF AAMAKAO GULCH, INCLUDING INSTALLING GUARDRAILS AND SIGNS. THIS PROJECT IS DEEMED NECESSARY TO QUALIFY FOR FEDERAL AID FINANCING AND/OR REIMBURSEMENT.			
		CONSTRUCTION			3,000
		TOTAL FUNDING	TRN	E	600E
			TRN	N	2,400N
96.		DANIEL K. INOUYE HIGHWAY EXTENSION, MAMALAHOA HIGHWAY TO QUEEN KAAHUMANU HIGHWAY, HAWAII			
		LAND ACQUISITION AND CONSTRUCTION FOR A NEW ROADWAY AND/OR REALIGNMENT, AND EXTENDING THE DANIEL K. INOUYE HIGHWAY FROM THE HILO TERMINUS TO THE QUEEN KAAHUMANU HIGHWAY. THIS PROJECT IS DEEMED NECESSARY TO QUALIFY FOR FEDERAL AID FINANCING AND/OR REIMBURSEMENT.			
		LAND		9,000	
		CONSTRUCTION		80,000	
		TOTAL FUNDING	TRN	17,800E	E
			TRN	71,200N	N
97.		GUARDRAIL AND SHOULDER IMPROVEMENTS ON STATE HIGHWAYS, HAWAII			
		DESIGN AND CONSTRUCTION FOR INSTALLING AND/OR UPGRADING EXISTING GUARDRAILS, END TERMINALS, TRANSITIONS, BRIDGE RAILING, BRIDGE END POSTS AND CRASH ATTENUATOR, AND RECONSTRUCTING AND PAVING SHOULDERS. THIS PROJECT IS DEEMED NECESSARY TO QUALIFY FOR FEDERAL AID FINANCING AND/OR REIMBURSEMENT.			
		DESIGN			2,000
		CONSTRUCTION			1,750
		TOTAL FUNDING	TRN	E	750E
			TRN	N	3,000N
98.		HAWAII BELT ROAD DRAINAGE AND ROCKFALL IMPS, VIC. OF HAKALAU BRIDGE, HAWAII			
		CONSTRUCTION FOR DRAINAGE AND ROCKFALL PROTECTION IMPROVEMENTS, INCLUDING INSTALLING A DRAINAGE SPILLWAY AND CULVERTS. THIS PROJECT IS DEEMED NECESSARY TO QUALIFY FOR FEDERAL AID FINANCING AND/OR REIMBURSEMENT.			
		CONSTRUCTION		2,000	
		TOTAL FUNDING	TRN	400E	E
			TRN	1,600N	N

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL YEAR 2017-2018	FISCAL YEAR 2018-2019
99.		HAWAII BELT ROAD ROCKFALL PROTECTION AT MAULUA, LAUPAHOEHOE, AND KAAWALII, HAWAII			
		DESIGN AND CONSTRUCTION FOR SLOPE PROTECTION ALONG ROUTE 19, HAWAII BELT ROAD IN THE VICINITY OF MAULUA GULCH, LAUPAHOEHOE GULCH, AND KAAWALII GULCH. THIS PROJECT IS DEEMED NECESSARY TO QUALIFY FOR FEDERAL AID FINANCING AND/OR REIMBURSEMENT.			
		DESIGN			750
		CONSTRUCTION			30,750
		TOTAL FUNDING	TRN	E	6,300 E
			TRN	N	25,200 N
100.		HAWAII BELT ROAD, DRAINAGE IMPROVEMENTS AT PAPAALOA, M.P. 24.47, HAWAII			
		CONSTRUCTION FOR DRAINAGE IMPROVEMENTS IN THE VICINITY OF M.P. 24.47 ON HAWAII BELT ROAD.			
		CONSTRUCTION			1,000
		TOTAL FUNDING	TRN		1,000 E
101.		HAWAII BELT ROAD, REHABILITATION OF UMAUMA STREAM BRIDGE, HAWAII			
		CONSTRUCTION FOR THE REHABILITATION OF UMAUMA STREAM BRIDGE. THIS PROJECT IS DEEMED NECESSARY TO QUALIFY FOR FEDERAL AID FINANCING AND/OR REIMBURSEMENT.			
		CONSTRUCTION			9,000
		TOTAL FUNDING	TRN		1,800 E
			TRN		7,200 N
102.		HAWAII BELT ROAD, REPLACEMENT OF PAHOEHOE STREAM BRIDGE, HAWAII			
		CONSTRUCTION FOR THE REPLACEMENT OF A CONCRETE ARCH-DECK BRIDGE ON HAWAII BELT ROAD (ROUTE 19) ON HAWAII ISLAND IN THE VICINITY OF PAPAIKOU. THIS PROJECT IS DEEMED NECESSARY TO QUALIFY FOR FEDERAL AID FINANCING AND/OR REIMBURSEMENT.			
		CONSTRUCTION			10,500
		TOTAL FUNDING	TRN		2,100 E
			TRN		8,400 N
103.		HAWAII BELT ROAD, WAILUKU BRIDGE REHABILITATION AND/OR REPLACEMENT, HAWAII			
		LAND ACQUISITION AND DESIGN FOR REHABILITATION AND/OR REPLACEMENT OF WAILUKU BRIDGE ALONG HAWAII BELT ROAD (ROUTE 19). THIS PROJECT IS DEEMED NECESSARY TO QUALIFY FOR FEDERAL AID FINANCING AND/OR REIMBURSEMENT.			

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL YEAR 2017-2018	FISCAL YEAR 2018-2019
		LAND DESIGN			500
		TOTAL FUNDING	TRN	160E	100E
			TRN	640N	400N
104.		HIGHWAY 11, HAWAII			
		PLANS, DESIGN, AND CONSTRUCTION FOR HIGHWAY 11, HAWAII.			
		PLANS		1	
		DESIGN		1	
		CONSTRUCTION		1,998	
		TOTAL FUNDING	TRN	2,000E	E
105.		KAWAIHAE ROAD, SAFETY IMPROVEMENTS, RUNAWAY TRUCK RAMP, HAWAII			
		LAND ACQUISITION AND CONSTRUCTION FOR THE INSTALLATION OF A RUNAWAY TRUCK RAMP ALONG KAWAIHAE ROAD.			
		LAND		500	
		CONSTRUCTION			1,500
		TOTAL FUNDING	TRN	500E	1,500E
106.		KAWAIHAE ROAD, WAIAKA STREAM BRIDGE REPLACEMENT AND REALIGNMENT, HAWAII			
		PLANS AND LAND ACQUISITION FOR REPLACING THE EXISTING WAIAKA STREAM BRIDGE, REALIGNING THE BRIDGE APPROACHES, RECONSTRUCTING THE ROUTE 19/ROUTE 250 INTERSECTION, AND INSTALLING SAFETY IMPROVEMENTS. THIS PROJECT IS DEEMED NECESSARY TO QUALIFY FOR FEDERAL AID FINANCING AND/OR REIMBURSEMENT.			
		PLANS		3,750	
		LAND			2,250
		TOTAL FUNDING	TRN	750E	450E
			TRN	3,000N	1,800N
107.		KEAAU-PAHOA ROAD IMPROVEMENTS, KEAAU TO PAHOA, HAWAII			
		CONSTRUCTION FOR WIDENING THE TWO LANE HIGHWAY TO FOUR LANES OR ALTERNATE ALIGNMENTS IN THIS CORRIDOR. THIS PROJECT IS DEEMED NECESSARY TO QUALIFY FOR FEDERAL AID FINANCING AND/OR REIMBURSEMENT.			
		CONSTRUCTION			40,000
		TOTAL FUNDING	TRN	E	8,000E
			TRN	N	32,000N

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL YEAR 2017-2018	FISCAL YEAR 2018-2019
108.		MAMALAHOA HIGHWAY DRAINAGE IMPROVEMENTS AT KAWA, HAWAII			
		CONSTRUCTION FOR DRAINAGE IMPROVEMENTS, INCLUDING THE INSTALLATION OF DRAINAGE BOX CULVERTS AND RAISING OF THE ROADWAY. THIS PROJECT IS DEEMED NECESSARY TO QUALIFY FOR FEDERAL AID FINANCING AND/OR REIMBURSEMENT.			
		CONSTRUCTION		9,000	
		TOTAL FUNDING	TRN	1,800 E	E
			TRN	7,200 N	N
109.		MAMALAHOA HIGHWAY, HILEA STREAM BRIDGE REHABILITATION AND/OR REPLACEMENT, HAWAII			
		CONSTRUCTION FOR REHABILITATION AND/OR REPLACEMENT OF HILEA STREAM BRIDGE ALONG MAMALAHOA HIGHWAY (ROUTE 11). THIS PROJECT IS DEEMED NECESSARY TO QUALIFY FOR FEDERAL AID FINANCING AND/OR REIMBURSEMENT			
		CONSTRUCTION		9,000	
		TOTAL FUNDING	TRN	1,800 E	E
			TRN	7,200 N	N
110.		MAMALAHOA HIGHWAY, NINOLE BRIDGE REHABILITATION AND/OR REPLACEMENT, HAWAII			
		CONSTRUCTION FOR REHABILITATION AND/OR REPLACEMENT OF NINOLE BRIDGE ALONG MAMALAHOA HIGHWAY (ROUTE 11). THIS PROJECT IS DEEMED NECESSARY TO QUALIFY FOR FEDERAL AID FINANCING AND/OR REIMBURSEMENT.			
		CONSTRUCTION		2,500	
		TOTAL FUNDING	TRN	500 E	E
			TRN	2,000 N	N
111.		MAMALAHOA HWY, GUARDRAIL AND SHOULDER IMPROVEMENTS AND REALIGNMENT, NAALEHU TO HONUAPO, HAWAII			
		LAND ACQUISITION FOR REPLACEMENT OF GUARDRAIL, SHOULDER IMPROVEMENTS, AND/OR REALIGNMENT OF MAMALAHOA HIGHWAY. THIS PROJECT IS DEEMED NECESSARY TO QUALIFY FOR FEDERAL AID FINANCING AND/OR REIMBURSEMENT.			
		LAND		300	
		TOTAL FUNDING	TRN	60 E	E
			TRN	240 N	N

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	PROJECT TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
112.		TRAFFIC OPERATIONAL IMPROVEMENTS TO EXISTING INTERSECTIONS AND HIGHWAY FACILITIES, HAWAII			
		CONSTRUCTION FOR IMPROVEMENTS TO EXISTING INTERSECTIONS AND HIGHWAY FACILITIES NECESSARY FOR IMPROVED TRAFFIC OPERATION, INCLUDING ELIMINATING CONSTRUCTIONS, MODIFYING AND/OR INSTALLING TRAFFIC SIGNALS, CONSTRUCTING TURNING LANES, ACCELERATION AND/OR DECELERATION LANES, AND OTHER IMPROVEMENTS.			
		CONSTRUCTION			2,600
		TOTAL FUNDING	TRN	E	2,600E
112.01.		QUEEN KAAHUMANU HIGHWAY WIDENING, HAWAII			
		CONSTRUCTION FOR THE WIDENING OF QUEEN KAAHUMANU HIGHWAY TO A FOUR-LANE DIVIDED HIGHWAY FROM VICINITY OF KEALAKEHE PARKWAY TO VICINITY OF KEAHOLE AIRPORT. THIS PROJECT IS DEEMED NECESSARY TO QUALIFY FOR FEDERAL AID FINANCING AND/OR REIMBURSEMENT.			
		CONSTRUCTION			1,000
		TOTAL FUNDING	TRN	E	200E
			TRN	N	800N
112.02.		HAWAII BELT ROAD, KAPEHU BRIDGE REPLACEMENT, HAWAII			
		LAND ACQUISITION AND DESIGN FOR THE REPLACEMENT OF KAPEHU BRIDGE. THIS PROJECT IS DEEMED NECESSARY TO QUALIFY FOR FEDERAL AID FINANCING AND/OR REIMBURSEMENT.			
		LAND			750
		DESIGN			1,250
		TOTAL FUNDING	TRN	E	400E
			TRN	N	1,600N
TRN531 - MAUI HIGHWAYS					
113.		GUARDRAIL AND SHOULDER IMPROVEMENTS ON STATE HIGHWAYS, MAUI			
		DESIGN AND CONSTRUCTION FOR INSTALLING AND/OR UPGRADING EXISTING GUARDRAILS, END TERMINALS, TRANSITIONS, BRIDGE RAILINGS, BRIDGE ENDPOSTS AND CRASH ATTENUATORS, AND RECONSTRUCTING AND PAVING SHOULDERS. THIS PROJECT IS DEEMED NECESSARY TO QUALIFY FOR FEDERAL AID FINANCING AND/OR REIMBURSEMENT.			
		DESIGN		500	2,000
		CONSTRUCTION		1,000	
		TOTAL FUNDING	TRN	300E	400E
			TRN	1,200N	1,600N

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
114.		HALEAKALA HIGHWAY WIDENING AT MILE POST 0.8, MAUI			
		CONSTRUCTION FOR WIDENING THE HIGHWAY FROM ONE LANE TO TWO LANES, EXTENDING A BOX CULVERT AND CONSTRUCTING HEADWALLS AND WINGWALLS.			
		CONSTRUCTION		2,000	
		TOTAL FUNDING	TRN	2,000E	E
115.		HANA HIGHWAY BRIDGE PRESERVATION PLAN, MAUI			
		LAND ACQUISITION AND DESIGN FOR DEVELOPING A BRIDGE PRESERVATION PLAN FOR HANA HIGHWAY IN THE VICINITY OF THE HANA PRESERVATION DISTRICT. THIS PROJECT IS DEEMED NECESSARY TO QUALIFY FOR FEDERAL AID FINANCING AND/OR REIMBURSEMENT.			
		LAND DESIGN		2,250	1,000
		TOTAL FUNDING	TRN	450E	200E
			TRN	1,800N	800N
116.		HANA HIGHWAY IMPROVEMENTS, HUELO TO HANA, MAUI			
		CONSTRUCTION FOR IMPROVING, UPGRADING AND/OR REPAIRING ROADWAYS, BRIDGES, WALLS, DRAINAGE STRUCTURES, GUARDRAILS, AND OTHER FACILITIES ON ROUTE 360 HANA HIGHWAY.			
		CONSTRUCTION		2,000	2,000
		TOTAL FUNDING	TRN	2,000E	2,000E
117.		HANA HIGHWAY MITIGATION, MAUI			
		PLANS, DESIGN, AND CONSTRUCTION TO MITIGATE ROCKFALLS, VEGETATION AND POTENTIAL LANDSLIDE AREAS ALONG THE SLOPES OF HANA HIGHWAY, ROUTE 360, AT VARIOUS LOCATIONS.			
		PLANS		2,000	
		DESIGN		2,000	
		CONSTRUCTION		16,000	
		TOTAL FUNDING	TRN	20,000E	E
118.		HANA HIGHWAY ROCKFALL MITIGATION, HUELO TO HANA, MAUI			
		DESIGN AND CONSTRUCTION TO MITIGATE ROCKFALLS AND POTENTIAL LANDSLIDE AREAS ALONG THE SLOPES OF ROUTE 360 HANA HIGHWAY AT VARIOUS LOCATIONS.			
		DESIGN			200
		CONSTRUCTION			6,000
		TOTAL FUNDING	TRN	E	6,200E

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
119.		HONOAPIILANI HIGHWAY, REHABILITATION AND/OR REPLACEMENT OF HONOLUA BRIDGE, MAUI			
		CONSTRUCTION FOR REHABILITATION AND/OR REPLACEMENT OF A CONCRETE TEE-BEAM BRIDGE ON HONOAPIILANI HIGHWAY IN THE VICINITY OF HONOLUA BAY TO INCLUDE BRIDGE RAILINGS AND OTHER IMPROVEMENTS. THIS PROJECT IS DEEMED NECESSARY TO QUALIFY FOR FEDERAL AID FINANCING AND/OR REIMBURSEMENT.			
		CONSTRUCTION		1,000	
		TOTAL FUNDING	TRN	200 E	E
			TRN	800 N	N
120.		LAHAINA BYPASS ROAD, MAUI			
		PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR AN EXTENSION OF THE LAHAINA BYPASS ROAD FROM NORTH KEAWE STREET TO BEYOND PUUKOLII ROAD.			
		PLANS		1	
		LAND		1	
		DESIGN		1	
		CONSTRUCTION		69,996	
		EQUIPMENT		1	
		TOTAL FUNDING	TRN	70,000 E	E
121.		MAUI DISTRICT BASEYARD/OFFICE IMPROVEMENTS, MAUI			
		DESIGN FOR MAUI DISTRICT BASEYARD/OFFICE IMPROVEMENTS, INCLUDING EXPANSION AND RENOVATIONS.			
		DESIGN		100	
		TOTAL FUNDING	TRN	100 E	E
122.		MISCELLANEOUS DRAINAGE IMPROVEMENTS, MAUI			
		DESIGN AND CONSTRUCTION FOR DRAINAGE IMPROVEMENTS TO EXISTING HIGHWAY FACILITIES INCLUDING INSTALLATION OF DRAINAGE FACILITIES, CATCH BASINS, GRATED DROP INLETS, LINED SWALES, HEADWALLS, AND CULVERTS AT VARIOUS LOCATIONS.			
		DESIGN		250	
		CONSTRUCTION			1,000
		TOTAL FUNDING	TRN	250 E	1,000 E
123.		PAIA BYPASS, MAUI			
		DESIGN FOR ALTERNATIVE TRAFFIC IMPROVEMENTS IN THE VICINITY OF PAIA TOWN. THIS PROJECT IS DEEMED NECESSARY TO QUALIFY FOR FEDERAL AID FINANCING AND/OR REIMBURSEMENT.			
		DESIGN			3,750
		TOTAL FUNDING	TRN	E	750 E
			TRN	N	3,000 N

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
124.		PEDESTRIAN IMPROVEMENTS AT VARIOUS LOCATIONS, MAUI			
		DESIGN AND CONSTRUCTION FOR PEDESTRIAN FACILITY IMPROVEMENTS IN ORDER TO PROVIDE INCREASED PEDESTRIAN SAFETY AND ACCESSIBILITY AT VARIOUS LOCATIONS ON MAUI.			
		DESIGN		100	
		CONSTRUCTION			500
		TOTAL FUNDING TRN		100E	500E
125.		PUUNENE AVENUE INTERSECTION IMPROVEMENTS IN THE VICINITY OF KUIHELANI HIGHWAY, MAUI			
		DESIGN AND CONSTRUCTION FOR MISCELLANEOUS IMPROVEMENTS TO EXISTING INTERSECTIONS AND HIGHWAY FACILITIES NECESSARY FOR IMPROVED TRAFFIC OPERATION ALONG PUUNENE AVENUE IN THE VICINITY OF KUIHELANI HIGHWAY, INCLUDING ELIMINATING CONSTRUCTIONS, MODIFYING AND/OR INSTALLING TRAFFIC SIGNALS, CONSTRUCTING TURNING LANES, ACCELERATION AND/OR DECELERATION LANES, AND OTHER IMPROVEMENTS.			
		DESIGN		250	
		CONSTRUCTION			3,000
		TOTAL FUNDING TRN		250E	3,000E
126.		TRAFFIC OPERATIONAL IMPROVEMENTS TO EXISTING INTERSECTIONS AND HIGHWAY FACILITIES, MAUI			
		DESIGN AND CONSTRUCTION FOR MISCELLANEOUS IMPROVEMENTS TO EXISTING INTERSECTIONS AND HIGHWAY FACILITIES NECESSARY FOR IMPROVED TRAFFIC OPERATION, INCLUDING ELIMINATING CONSTRUCTIONS, MODIFYING AND/OR INSTALLING TRAFFIC SIGNALS, CONSTRUCTING TURNING LANES, ACCELERATION AND/OR DECELERATION LANES, AND OTHER IMPROVEMENTS.			
		DESIGN		100	200
		CONSTRUCTION		500	4,700
		TOTAL FUNDING TRN		600E	4,900E
127.		TRAFFIC SIGNAL MODERNIZATION AT VARIOUS LOCATIONS, MAUI			
		DESIGN AND CONSTRUCTION FOR UPGRADING OF EXISTING TRAFFIC SIGNAL SYSTEMS, INCLUDING ASSESSMENT AND DEVELOPMENT OF CRITERIA FOR IMPLEMENTATION OF SCHEDULED REPLACEMENTS AND UPGRADES; PROVIDING INTERCONNECTION OF SIGNALIZED INTERSECTIONS; AND UPGRADING TO MEET CURRENT STANDARDS.			

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
		DESIGN		250	
		CONSTRUCTION			3,000
		TOTAL FUNDING	TRN	250E	3,000E
127.01.		HONOAPIILANI HIGHWAY WIDENING AND/OR REALIGNMENT, HONOKOWAI TO LAUNIUPOKO, MAUI			
		LAND ACQUISITION FOR A NEW ALIGNMENT OF HONOAPIILANI HIGHWAY FROM LAHAINALUNA ROAD TO THE VICINITY OF LAUNIUPOKO. THIS PROJECT IS DEEMED NECESSARY TO QUALIFY FOR FEDERAL AID FINANCING AND/OR REIMBURSEMENT.			
		LAND			7,500
		TOTAL FUNDING	TRN	E	1,500E
			TRN	N	6,000N
127.02.		HANA HIGHWAY IMPROVEMENTS, VICINITY OF MILEPOST 28.1, MAUI			
		LAND ACQUISITION AND CONSTRUCTION FOR ROADWAY WIDENING AND/OR REALIGNMENT AND OTHER IMPROVEMENTS ALONG HANA HIGHWAY IN THE VICINITY OF MILEPOST 28.1.			
		LAND			100
		CONSTRUCTION			700
		TOTAL FUNDING	TRN	E	800E
127.03.		KULA HIGHWAY, MAUI			
		PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR A TRAFFIC SIGNAL AT THE INTERSECTION OF KULA HIGHWAY AND OMAOPIO ROAD.			
		PLANS			1
		LAND			1
		DESIGN			497
		CONSTRUCTION			2,000
		EQUIPMENT			1
		TOTAL FUNDING	TRN	E	2,500E
127.04.		LAHAINA BYPASS ROAD, MAUI			
		PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR AN EXTENSION OF THE LAHAINA BYPASS ROAD FROM NORTH KEAWE STREET TO BEYOND PUUKOLII ROAD.			
		PLANS			1
		LAND			1
		DESIGN			4,997
		CONSTRUCTION			35,000
		EQUIPMENT			1
		TOTAL FUNDING	TRN	E	8,000E
			TRN	N	32,000N

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
127.05.		PAIA BYPASS, MAUI			
		PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT TO COMPLETE THE PAIA BYPASS.			
		PLANS			1
		LAND			1
		DESIGN			3,997
		CONSTRUCTION			45,000
		EQUIPMENT			1
		TOTAL FUNDING	TRN	E	9,800E
			TRN	N	39,200N
TRN561 - KAUAI HIGHWAYS					
128.		GUARDRAIL AND SHOULDER IMPROVEMENTS ON STATE HIGHWAYS, KAUAI			
		CONSTRUCTION FOR INSTALLING AND/OR UPGRADING OF GUARDRAILS, END TERMINALS, TRANSITIONS, BRIDGE RAILINGS, BRIDGE ENDPOSTS AND CRASH ATTENUATORS, AND RECONSTRUCTING AND PAVING OF SHOULDERS. THIS PROJECT IS DEEMED NECESSARY TO QUALIFY FOR FEDERAL AID FINANCING AND/OR REIMBURSEMENT.			
		CONSTRUCTION			2,500
		TOTAL FUNDING	TRN	E	500E
			TRN	N	2,000N
129.		KAPULE HWY/RICE ST/WAAPA RD IMPROVEMENTS, AND STRENGTHENING/WIDENING OF NAWILIWILI BRIDGE, KAUAI			
		LAND ACQUISITION FOR THE IMPROVEMENT OF KAPULE HIGHWAY, RICE STREET AND WAAPA ROAD; AND STRENGTHENING/WIDENING OF NAWILIWILI BRIDGE. THIS PROJECT IS DEEMED NECESSARY TO QUALIFY FOR FEDERAL AID FINANCING AND/OR REIMBURSEMENT.			
		LAND			600
		TOTAL FUNDING	TRN	E	120E
			TRN	N	480N
130.		KAUAI BASEYARD IMPROVEMENTS, KAUAI			
		DESIGN AND CONSTRUCTION FOR RENOVATIONS AND IMPROVEMENTS TO THE KAUAI DISTRICT BASEYARD, INCLUDING THE INSTALLATION OF A FIRE DETECTION SPRINKLER SYSTEM, RENOVATION OF OFFICES, PERFORMING VARIOUS BUILDING REPAIRS, AND REPLACING DAMAGED STORM SHIELDS.			
		DESIGN			100
		CONSTRUCTION			600
		TOTAL FUNDING	TRN	100E	600E

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
131.		KAUMUALII HIGHWAY, HANAPEPE RIVER BRIDGE REHABILITATION AND/OR REPLACEMENT, KAUAI			
		CONSTRUCTION FOR REHABILITATION AND/OR REPLACEMENT OF HANAPEPE RIVER BRIDGE ALONG KAUMUALII HIGHWAY. THIS PROJECT IS DEEMED NECESSARY TO QUALIFY FOR FEDERAL AID FINANCING AND/OR REIMBURSEMENT.			
		CONSTRUCTION		12,000	
		TOTAL FUNDING	TRN	2,400 E	E
			TRN	9,600 N	N
132.		KAUMUALII HIGHWAY, OMAO BRIDGE REHABILITATION, KAUAI			
		LAND ACQUISITION AND CONSTRUCTION FOR REHABILITATION OF A CONCRETE TEE GIRDER BRIDGE ON KAUMUALII HIGHWAY IN THE VICINITY OF OMAO ROAD. THIS PROJECT IS DEEMED NECESSARY TO QUALIFY FOR FEDERAL AID FINANCING AND/OR REIMBURSEMENT.			
		LAND		250	
		CONSTRUCTION		16,000	
		TOTAL FUNDING	TRN	3,250 E	E
			TRN	13,000 N	N
133.		KUHIO HIGHWAY, HANA LEI BRIDGE REPAIR, KAUAI			
		DESIGN AND CONSTRUCTION FOR THE REPAIR OF HANA LEI BRIDGE, INCLUDING REPLACING DETERIORATED STEEL TRUSS MEMBERS, AND CLEANING AND PAINTING OF THE STRUCTURE. THIS PROJECT IS DEEMED NECESSARY TO QUALIFY FOR FEDERAL AID FINANCING AND/OR REIMBURSEMENT.			
		DESIGN		300	
		CONSTRUCTION			6,000
		TOTAL FUNDING	TRN	60 E	1,200 E
			TRN	240 N	4,800 N
134.		KUHIO HIGHWAY, HANA LEI VALLEY VIEWPOINT, KAUAI			
		CONSTRUCTION OF RIGHT-OF-WAY IMPROVEMENTS FOR THE RELOCATION OF THE HANA LEI VALLEY LOOKOUT ON KAUAI.			
		CONSTRUCTION		1,000	
		TOTAL FUNDING	TRN	1,000 E	E

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL YEAR 2017-2018	FISCAL YEAR 2018-2019
135.		KUHIO HIGHWAY, KAPAIA STREAM BRIDGE REHABILITATION AND/OR REPLACEMENT, KAUAI			
		CONSTRUCTION FOR REHABILITATION AND/OR REPLACEMENT OF A MULTI-TEE BEAM REINFORCED CONCRETE GIRDER BRIDGE ON KUHIO HIGHWAY IN THE VICINITY OF KAPAIA TO INCLUDE PEDESTRIAN WALKWAYS, BRIDGE RAILINGS AND APPROACHES AND OTHER IMPROVEMENTS. THIS PROJECT IS DEEMED NECESSARY TO QUALIFY FOR FEDERAL AID FINANCING AND/OR REIMBURSEMENT.			
		CONSTRUCTION		10,000	
		TOTAL FUNDING	TRN	2,000 E	
			TRN	8,000 N	E
136.		KUHIO HIGHWAY, MAILIHUNA RD INTERSECTION. IMP. AND KAPAA STREAM BRIDGE REHABILITATION AND/OR REPLACEMENT, KAUAI			
		CONSTRUCTION FOR INTERSECTION SAFETY IMPROVEMENTS AND REHABILITATION AND/OR REPLACEMENT OF KAPAA STREAM BRIDGE. THIS PROJECT IS DEEMED NECESSARY TO QUALIFY FOR FEDERAL AID FINANCING AND/OR REIMBURSEMENT.			
		CONSTRUCTION		17,000	
		TOTAL FUNDING	TRN	3,400 E	
			TRN	13,600 N	E
137.		KUHIO HIGHWAY, REHABILITATION AND/OR REPLACEMENT OF WAIOLI, WAIPA, AND WAIKOKO BRIDGES, KAUAI			
		CONSTRUCTION FOR THE REHABILITATION AND/OR REPLACEMENT OF WAIOLI STREAM BRIDGE, WAIPA STREAM BRIDGE, AND WAIKOKO STREAM BRIDGE ON KUHIO HIGHWAY, ROUTE 560. THIS PROJECT IS DEEMED NECESSARY TO QUALIFY FOR FEDERAL AID FINANCING AND/OR REIMBURSEMENT.			
		CONSTRUCTION			25,000
		TOTAL FUNDING	TRN	E	5,000 E
			TRN	N	20,000 N
138.		KUHIO HIGHWAY, REPLACEMENT OF WAINIHA BRIDGES, NUMBERS 1, 2, AND 3, KAUAI			
		CONSTRUCTION FOR REPLACEMENT OF WAINIHA BRIDGES NUMBERS 1, 2, AND 3. PROJECT WILL CONSTRUCT BRIDGE APPROACHES, DETOUR ROADS, AND OTHER IMPROVEMENTS. THIS PROJECT IS DEEMED NECESSARY TO QUALIFY FOR FEDERAL AID FINANCING AND/OR REIMBURSEMENT.			
		CONSTRUCTION			7,500
		TOTAL FUNDING	TRN	E	1,500 E
			TRN	N	6,000 N

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
139.		KUHIO HIGHWAY, RETAINING WALLS AND/OR ROADWAY REMEDIATION AT LUMAHAI AND WAINIHA, KAUAI			
		LAND ACQUISITION FOR RETAINING WALLS AND/OR ROADWAY REMEDIATION FOR THE PRESERVATION OF KUHIO HIGHWAY IN THE VICINITY OF LUMAHAI AND WAINIHA.			
		LAND		100	
		TOTAL FUNDING	TRN	100E	E
140.		KUHIO HIGHWAY, SLOPE STABILIZATION AT LUMAHAI HILLSIDE, KAUAI			
		LAND ACQUISITION AND DESIGN FOR SLOPE STABILIZATION AT LUMAHAI HILLSIDE.			
		LAND			150
		DESIGN		250	
		TOTAL FUNDING	TRN	250E	150E
141.		KUHIO HIGHWAY, WAILUA RIVER BRIDGE REPAIR, KAUAI			
		DESIGN AND CONSTRUCTION FOR THE REPAIR OF WAILUA RIVER BRIDGE, INCLUDING REPLACING DETERIORATED BEARINGS AND SUPPORTS. THIS PROJECT IS DEEMED NECESSARY TO QUALIFY FOR FEDERAL AID FINANCING AND/OR REIMBURSEMENT.			
		DESIGN		300	
		CONSTRUCTION			4,000
		TOTAL FUNDING	TRN	300E	800E
			TRN	N	3,200N
142.		NAWILIWILI ROAD IMPROVEMENTS, KANANI STREET TO KAUMUALII HIGHWAY, KAUAI			
		CONSTRUCTION FOR NAWILIWILI ROAD IMPROVEMENTS, INCLUDING PAVEMENT RECONSTRUCTION, SIDEWALKS, AND TRAFFIC SIGNALS. THIS PROJECT IS DEEMED NECESSARY TO QUALIFY FOR FEDERAL AID FINANCING AND/OR REIMBURSEMENT.			
		CONSTRUCTION		1,500	
		TOTAL FUNDING	TRN	300E	E
			TRN	1,200N	N

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
143.		TRAFFIC OPERATIONAL IMPROVEMENTS TO EXISTING INTERSECTIONS AND HIGHWAYS, KAUAI			
		LAND ACQUISITION, DESIGN, AND CONSTRUCTION FOR MISCELLANEOUS IMPROVEMENTS TO EXISTING INTERSECTIONS AND HIGHWAY FACILITIES NECESSARY FOR IMPROVED TRAFFIC OPERATION, INCLUDING ELIMINATING CONSTRUCTIONS, MODIFYING AND/OR INSTALLING TRAFFIC SIGNALS, CONSTRUCTING TURNING LANES, ACCELERATION AND/OR DECELERATION LANES, AND OTHER IMPROVEMENTS.			
		LAND			300
		DESIGN		1,100	600
		CONSTRUCTION		2,500	1,700
		TOTAL FUNDING	TRN	3,600E	2,600E
TRN595 - HIGHWAYS ADMINISTRATION					
144.		ADA AND PEDESTRIAN IMPROVEMENTS AT VARIOUS LOCATIONS, STATEWIDE			
		DESIGN AND CONSTRUCTION TO PROVIDE FOR AND IMPROVE EXISTING ADA AND PEDESTRIAN FACILITIES ON STATE HIGHWAYS. THIS PROJECT IS DEEMED NECESSARY TO QUALIFY FOR FEDERAL AID FINANCING AND/OR REIMBURSEMENT.			
		DESIGN		1,000	1,000
		CONSTRUCTION		2,000	500
		TOTAL FUNDING	TRN	600E	300E
			TRN	2,400N	1,200N
145.		ALIAIMOKU BUILDING IMPROVEMENTS, STATEWIDE			
		CONSTRUCTION FOR VARIOUS IMPROVEMENTS FOR THE DEPARTMENT OF TRANSPORTATION'S MAIN OFFICE BUILDING.			
		CONSTRUCTION		400	
		TOTAL FUNDING	TRN	400E	E
146.		ALIAIMOKU HALE, ELEVATOR MODERNIZATION, STATEWIDE			
		CONSTRUCTION FOR ELEVATOR RENOVATION AND/OR REPLACEMENT AND OTHER RELATED TASKS.			
		CONSTRUCTION		200	
		TOTAL FUNDING	TRN	200E	E
147.		HEIGHT MODERNIZATION FACILITIES, STATEWIDE			
		PLANS, LAND ACQUISITION, AND DESIGN FOR HEIGHT MODERNIZATION FACILITIES ON VARIOUS ISLANDS. THIS PROJECT IS DEEMED NECESSARY FOR FEDERAL AID FINANCING AND/OR REIMBURSEMENT.			

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
		PLANS		5,000	
		LAND			2,000
		DESIGN		3,750	6,750
		TOTAL FUNDING	TRN	1,750 E	1,750 E
			TRN	7,000 N	7,000 N
148.		HIGHWAY PLANNING, STATEWIDE			
		PLANS AND EQUIPMENT FOR FEDERAL AID & NON-FA PROGRAMS & PROJECTS THAT INCLUDE ROADWAY CLASSIFICATION, DATA COLLECTION, LONG AND MID-RANGE PLANNING, TRANSPORTATION NEEDS STUDIES, RESEARCH, HRS 343/NEPA STUDIES, CORRIDOR STUDIES, SCOPING, BRIDGE EVALUATIONS, AND TECH TRANSFER AND WORKFORCE DEVELOPMENT. THIS PROJECT IS DEEMED NECESSARY TO QUALIFY FOR FEDERAL AID FINANCING AND/OR REIMBURSEMENT.			
		PLANS		10,500	11,500
		EQUIPMENT			1,000
		TOTAL FUNDING	TRN	2,100 E	2,500 E
			TRN	8,400 N	10,000 N
149.		HIGHWAY SHORELINE PROTECTION, STATEWIDE			
		DESIGN AND CONSTRUCTION FOR SHORELINE PROTECTION IMPROVEMENTS OF EXISTING STATE HIGHWAY FACILITIES, INCLUDING SHORELINE PROTECTION STRUCTURES, RELOCATION AND REALIGNMENT OF THE HIGHWAY, AND BEACH FILL/NOURISHMENT. THIS PROJECT IS DEEMED NECESSARY TO QUALIFY FOR FEDERAL AID FINANCING AND/OR REIMBURSEMENT.			
		DESIGN		1,000	
		CONSTRUCTION		37,000	12,000
		TOTAL FUNDING	TRN	7,600 E	2,400 E
			TRN	30,400 N	9,600 N
150.		HIGHWAYS DIVISION CAPITAL IMPROVEMENTS PROGRAM PROJECT STAFF COSTS, STATEWIDE			
		PLANS, LAND ACQUISITION, DESIGN, AND CONSTRUCTION FOR COSTS RELATED TO WAGES AND FRINGE BENEFITS FOR PERMANENT PROJECT FUNDED STAFF POSITIONS FOR IMPLEMENTATION OF CIP PROJECTS FOR DEPARTMENT OF TRANSPORTATION'S HIGHWAYS DIVISION. PROJECTS MAY ALSO INCLUDE FUNDS FOR NON-PERMANENT CIP PROJECT RELATED POSITIONS. THIS PROJECT IS DEEMED NECESSARY TO QUALIFY FOR FEDERAL AID FINANCING AND/OR REIMBURSEMENT.			
		PLANS		1	1
		LAND		1	1

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
		DESIGN		1	1
		CONSTRUCTION		23,997	23,997
		TOTAL FUNDING	TRN	16,000B	16,000B
			TRN	8,000N	8,000N
151.		IMPROVEMENTS TO INTERSECTIONS AND HIGHWAY FACILITIES, STATEWIDE			
		DESIGN AND CONSTRUCTION FOR MISCELLANEOUS IMPROVEMENTS TO EXISTING INTERSECTIONS AND HIGHWAY FACILITIES NECESSARY FOR TRAFFIC SAFETY. THIS PROJECT IS DEEMED NECESSARY TO QUALIFY FOR FEDERAL AID FINANCING AND/OR REIMBURSEMENT.			
		DESIGN		10,650	3,000
		CONSTRUCTION		3,750	4,000
		TOTAL FUNDING	TRN	2,880E	1,400E
			TRN	11,520N	5,600N
152.		MISCELLANEOUS DRAINAGE IMPROVEMENTS, STATEWIDE			
		DESIGN AND CONSTRUCTION FOR DRAINAGE IMPROVEMENTS TO EXISTING HIGHWAY FACILITIES INCLUDING INSTALLATION OF DRAINAGE FACILITIES, CATCH BASINS, GRATED DROP INLETS, LINED SWALES, HEADWALLS, AND CULVERTS AT VARIOUS LOCATIONS.			
		DESIGN		100	200
		CONSTRUCTION		1,000	2,900
		TOTAL FUNDING	TRN	1,100E	3,100E
153.		ROCKFALL PROTECTION/SLOPE STABILIZATION AT VARIOUS LOCATIONS, STATEWIDE			
		LAND ACQUISITION AND CONSTRUCTION FOR ROCKFALL/SLOPE PROTECTION AND SLOPE STABILIZATION MITIGATION MEASURES AT VARIOUS LOCATIONS STATEWIDE. THIS PROJECT IS DEEMED NECESSARY TO QUALIFY FOR FEDERAL AID FINANCING AND/OR REIMBURSEMENT.			
		LAND			500
		CONSTRUCTION		7,000	
		TOTAL FUNDING	TRN	1,400E	100E
			TRN	5,600N	400N
154.		SEISMIC RETROFIT OF VARIOUS BRIDGES, STATEWIDE			
		DESIGN AND CONSTRUCTION FOR SEISMIC RETROFIT OF VARIOUS BRIDGES STATEWIDE. THIS PROJECT IS DEEMED NECESSARY TO QUALIFY FOR FEDERAL AID FINANCING AND/OR REIMBURSEMENT.			
		DESIGN			5,750
		CONSTRUCTION			1,250
		TOTAL FUNDING	TRN	E	1,400E
			TRN	N	5,600N

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL YEAR 2017-2018	FISCAL YEAR 2018-2019
155.		TRAFFIC COUNTING STATIONS AT VARIOUS LOCATIONS, STATEWIDE			
		CONSTRUCTION FOR INSTALLING TRAFFIC DETECTOR LOOPS AND PIEZOELECTRIC SENSORS, ASSOCIATED WIRING, JUNCTION BOXES, AND TRAFFIC CABINETS FOR CONTINUOUS TRAFFIC MONITORING STATIONS AT VARIOUS LOCATIONS ON STATE ROADWAYS. THIS PROJECT IS DEEMED NECESSARY TO QUALIFY FOR FEDERAL AID FINANCING AND/OR REIMBURSEMENT.			
		CONSTRUCTION		2,400	
		TOTAL FUNDING	TRN	480 E	E
			TRN	1,920 N	N
155.01.		MAJOR PAVEMENT IMPROVEMENTS, STATEWIDE			
		CONSTRUCTION FOR MAJOR PAVEMENT RECONSTRUCTION, RESURFACING, RESTORATION AND/OR REHABILITATION ALONG STATE ROUTES. THIS PROJECT IS DEEMED NECESSARY TO QUALIFY FOR FEDERAL AID FINANCING AND/OR REIMBURSEMENT.			
		CONSTRUCTION			176,500
		TOTAL FUNDING	TRN	E	35,300 E
			TRN	N	141,200 N
D. ENVIRONMENTAL PROTECTION					
HTH840 - ENVIRONMENTAL MANAGEMENT					
1.		SAFE DRINKING WATER REVOLVING FUND, STATEWIDE			
		CONSTRUCTION FUNDS TO PROVIDE STATE MATCH (20%) FOR FEDERAL CAPITALIZATION GRANTS FOR DRINKING WATER TREATMENT REVOLVING LOAN FUND, PURSUANT TO CHAPTER 340E, HRS. THIS PROJECT IS DEEMED NECESSARY TO QUALIFY FOR FEDERAL AID, FINANCING AND/OR REIMBURSEMENT.			
		CONSTRUCTION		9,975	9,889
		TOTAL FUNDING	HTH	1,663 C	1,648 C
			HTH	8,312 N	8,241 N

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
2.		WASTEWATER TREATMENT REVOLVING FUND FOR POLLUTION CONTROL, STATEWIDE			
		CONSTRUCTION FUNDS TO PROVIDE STATE MATCH (20%) FOR FEDERAL CAPITALIZATION GRANTS FOR WASTEWATER PROJECTS. FUNDS TO BE TRANSFERRED TO THE WATER POLLUTION CONTROL REVOLVING FUND PURSUANT TO CHAPTER 342D, HRS. THIS PROJECT IS DEEMED NECESSARY TO QUALIFY FOR FEDERAL AID, FINANCING AND/OR REIMBURSEMENT.			
		CONSTRUCTION		12,418	12,322
		TOTAL FUNDING	HTH	2,070C	2,054C
			HTH	10,348N	10,268N
LNR402 - NATIVE RESOURCES AND FIRE PROTECTION PROGRAM					
3.		DIVISION OF FORESTRY AND WILDLIFE EMERGENCY AND NATURAL DISASTER RESPONSE INFRASTRUCTURE, STATEWIDE			
		DESIGN AND CONSTRUCTION TO PROVIDE STATEWIDE SUPPORT FOR FIRE AND NATURAL DISASTER RESPONSE.			
		DESIGN		100	
		CONSTRUCTION		300	
		TOTAL FUNDING	LNR	400C	C
4.		KAWAINUI MARSH, OAHU			
		DESIGN AND CONSTRUCTION FOR CLEANUP ENVIRONMENTAL DEGRADATION AND RESTORATION OF NATIVE WILDLIFE HABITAT.			
		DESIGN		200	
		CONSTRUCTION		1,000	
		TOTAL FUNDING	LNR	1,200C	C
4.01.		KAWAINUI MARSH, OAHU			
		DESIGN AND CONSTRUCTION FOR CLEANUP ENVIRONMENTAL DEGRADATION AND RESTORATION OF NATIVE WILDLIFE HABITAT.			
		DESIGN			680
		CONSTRUCTION			1,000
		TOTAL FUNDING	LNR	C	1,680C
4.02.		MAUNAWILI VALLEY, OAHU			
		PLANS FOR APPRAISAL AND VALUATION OF LAND PARCELS IN MAUNAWILI VALLEY.			
		PLANS			250
		TOTAL FUNDING	LNR	C	250C
4.03.		NENE SANCTUARY DEVELOPMENT, WAILUA, KAUAI			
		CONSTRUCTION FOR NENE HABITAT, INCLUDING FENCING AND EARTHWORK.			
		CONSTRUCTION			300
		TOTAL FUNDING	LNR	C	300C

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL YEAR 2017-2018	FISCAL YEAR 2018-2019
4.04.		OAHU DOFAW BASEYARD IMPROVEMENTS, OAHU			
		DESIGN FOR OAHU DOFAW BASEYARD IMPROVEMENTS.			
		DESIGN			490
		TOTAL FUNDING	LNR	C	490C
4.05.		RADIO REPEATER AND BASE STATION COMMUNICATIONS UPGRADES, KAUAI			
		EQUIPMENT FOR UPGRADE OF THREE (3) NON FUNCTIONAL RADIO REPEATERS AND DOFAW'S BASEYARD COMMUNICATIONS BASE STATION.			
		EQUIPMENT			250
		TOTAL FUNDING	LNR	C	250C
LNR407 - NATURAL AREA RESERVES AND WATERSHED MANAGEMENT					
5.		PUA LOKE PLANT NURSERY ARBORETUM SITE, PARCEL BETWEEN WEHE ROAD AND PUA LOKE STREET, KAUAI			
		DESIGN, CONSTRUCTION, AND EQUIPMENT FOR THE LANDSCAPING AND BEAUTIFICATION IN HONOR OF SPARK MATSUNAGA.			
		DESIGN			19
		CONSTRUCTION			180
		EQUIPMENT			1
		TOTAL FUNDING	LNR	200C	C
5.01.		AHIHI KINAU PARKING FEE COLLECTION FACILITY, MAUI			
		EQUIPMENT TO COLLECT PARKING FEES AT AHIHI KINAU NATURAL AREA RESERVE, MAUI; EQUIPMENT AND APPURTENANCES, AND ALL PROJECT RELATED COSTS.			
		EQUIPMENT			50
		TOTAL FUNDING	LNR	C	50C
5.02.		KA'ALA FOREST FENCING, OAHU			
		PLANS, LAND, DESIGN, CONSTRUCTION, AND EQUIPMENT TO PROTECT AND RESTORE FORESTED WATERSHEDS AND OTHER WATER SUPPLIES; EQUIPMENT AND APPURTENANCES, AND ALL PROJECT RELATED COSTS FOR KA'ALA FOREST, OAHU. THE LEGISLATURE FINDS AND DECLARES THAT THIS APPROPRIATION IS IN THE PUBLIC INTEREST AND FOR THE PUBLIC'S HEALTH, SAFETY AND GENERAL WELFARE OF THE STATE.			
		PLANS			1
		LAND			1
		DESIGN			10
		CONSTRUCTION			70
		EQUIPMENT			1
		TOTAL FUNDING	LNR	C	83C

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
5.03.		KAPUA FEASIBILITY STUDY, HAWAII PLANS FOR ACQUISITION TO PROTECT ENDANGERED SPECIES, DRYLAND FOREST AND CULTURAL SITES.			
		PLANS			100
		TOTAL FUNDING	LNR	C	100C
5.04.		WAIAWA FOREST RESERVE SOURCE-WATER PROTECTION PROJECT, OAHU CONSTRUCTION TO PROTECT AND MAINTAIN FORESTED WATERSHED AND OTHER INFRASTRUCTURE AND APPURTENANCES, AND ALL PROJECT RELATED COSTS TO PROTECT NATIVE FOREST FOR THE PURPOSE OF ECOSYSTEM MAINTENANCE, RARE SPECIES MANAGEMENT, AND AQUIFER RECHARGE.			
		CONSTRUCTION			500
		TOTAL FUNDING	LNR	C	500C
5.05.		WATERSHED PROTECTION AND INITIATIVES, STATEWIDE PLANS, LAND, DESIGN, CONSTRUCTION, AND EQUIPMENT TO PROTECT AND RESTORE FORESTED WATERSHEDS AND OTHER WATER SUPPLIES, STATEWIDE; EQUIPMENT AND APPURTENANCES, AND ALL PROJECT RELATED COSTS. THE LEGISLATURE FINDS AND DECLARES THAT THIS APPROPRIATION IS IN THE PUBLIC INTEREST AND FOR THE PUBLIC'S HEALTH, SAFETY AND GENERAL WELFARE OF THE STATE.			
		PLANS			1
		LAND			1
		DESIGN			1,997
		CONSTRUCTION			4,506
		EQUIPMENT			1
		TOTAL FUNDING	LNR	C	6,506C
LNR906 - LNR - NATURAL AND PHYSICAL ENVIRONMENT					
6.		KAHOOLAWE ISLAND RESERVE NATIVE DRYLAND FOREST PLANTING, KAHOOLAWE PLANS, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR KAHOOLAWE ISLAND RESERVE COMMISSION TO SUPPORT FOR NATIVE DRYLAND FOREST RESTORATION, MANAGEMENT, AND MAINTENANCE.			
		PLANS		1	1
		DESIGN		148	148
		CONSTRUCTION		1,350	1,350
		EQUIPMENT		1	1
		TOTAL FUNDING	LNR	1,500C	1,500C

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
E. HEALTH					
HTH211 - KAHUKU HOSPITAL					
1.		LUMP SUM KAHUKU MEDICAL CENTER, IMPROVEMENTS, AND RENOVATIONS, OAHU			
		PLANS, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR KAHUKU MEDICAL CENTER FOR IMPROVEMENTS AND RENOVATIONS INCLUDING NEW FACILITIES, RENOVATION, EXPANSION, AND/OR REPLACEMENT OF FACILITIES; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		PLANS		1	
		DESIGN		163	
		CONSTRUCTION		1,485	
		EQUIPMENT		1	
		TOTAL FUNDING	HTH	1,650	C
HTH212 - HAWAII HEALTH SYSTEMS CORPORATION - REGIONS					
2.		LEAHI HOSPITAL, UPGRADE ATHERTON, SINCLAIR AND TROTTER ELEVATORS, OAHU			
		PLANS, DESIGN, AND CONSTRUCTION FOR UPGRADES, RENOVATIONS, OR REPLACEMENT OF ATHERTON, SINCLAIR, AND TROTTER ELEVATORS.			
		PLANS		1	
		DESIGN		89	
		CONSTRUCTION		810	
		TOTAL FUNDING	HTH	900	C
3.		LUMP SUM HAWAII HEALTH SYSTEMS CORPORATION, IMPROVEMENTS, AND RENOVATIONS, STATEWIDE			
		PLANS, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR THE HAWAII HEALTH SYSTEMS CORPORATION FOR IMPROVEMENTS AND RENOVATIONS INCLUDING NEW FACILITIES, RENOVATION, EXPANSION, AND/OR REPLACEMENT OF FACILITIES; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		PLANS		1	1
		DESIGN		1,993	1,998
		CONSTRUCTION		17,957	7,610
		EQUIPMENT		1	1
		TOTAL FUNDING	HTH	19,952	9,610
4.		SAMUEL MAHELONA MEMORIAL HOSPITAL ASSET ANALYSIS, KAUAI			
		PLANS AND DESIGN FOR THE RENOVATION OR REBUILDING OF SAMUEL MAHELONA MEMORIAL HOSPITAL.			
		PLANS		50	
		DESIGN		450	
		TOTAL FUNDING	HTH	500	C

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
4.01.		LEAHI HOSPITAL, OAHU			
		PLANS, DESIGN, CONSTRUCTION, AND EQUIPMENT TO UPGRADE AIR CONDITIONING SYSTEMS; EQUIPMENT AND APPURTENANCES.			
		PLANS			1
		DESIGN			178
		CONSTRUCTION			700
		EQUIPMENT			1
		TOTAL FUNDING	HTH	C	880 C
HTH214 - MAUI HEALTH SYSTEM, A KFH LLC					
5.		MAUI HEALTH SYSTEM, FACILITIES REPAIR, RENOVATIONS AND UPGRADES, MAUI/LANAI			
		DESIGN, CONSTRUCTION, AND EQUIPMENT FOR THE REPAIRS, RENOVATIONS, EXPANSION, AND UPGRADES TO MAUI MEMORIAL MEDICAL CENTER (MMMC), KULA HOSPITAL (KH), AND LANAI COMMUNITY HOSPITAL (LCH).			
		PLANS			1
		DESIGN		500	499
		CONSTRUCTION		3,500	3,500
		EQUIPMENT		2,000	2,000
		TOTAL FUNDING	HTH	6,000 C	6,000 C
HTH430 - ADULT MENTAL HEALTH - INPATIENT					
6.		HAWAII STATE HOSPITAL, HEALTH AND SAFETY, OAHU			
		DESIGN AND CONSTRUCTION FOR IMPROVEMENTS TO HAWAII STATE HOSPITAL. PROJECTS ARE NECESSARY TO MAINTAIN HEALTH AND SAFETY.			
		DESIGN		220	
		CONSTRUCTION		201	
		TOTAL FUNDING	AGS	421 C	C
HTH440 - ALCOHOL AND DRUG ABUSE DIVISION					
7.		HINA MAUKA, OAHU			
		CONSTRUCTION FOR IMPROVEMENTS TO A HEALTHCARE FACILITY. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.			
		CONSTRUCTION		500	
		TOTAL FUNDING	HTH	500 C	C

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
HTH710 - STATE LABORATORY SERVICES					
7.01.		HAWAII STATE LABORATORIES IMPROVEMENTS, OAHU			
		DESIGN AND CONSTRUCTION FOR IMPROVEMENTS TO KAMAULEULE BUILDING.			
		DESIGN			659
		CONSTRUCTION			1
		TOTAL FUNDING	AGS	C	660C
HTH907 - GENERAL ADMINISTRATION					
8.		DEPARTMENT OF HEALTH, HEALTH AND SAFETY, STATEWIDE			
		DESIGN AND CONSTRUCTION FOR IMPROVEMENTS TO HEALTH FACILITIES, STATEWIDE. PROJECTS ARE NECESSARY TO MAINTAIN HEALTH AND SAFETY FOR CLIENTS AND STAFF.			
		DESIGN		413	230
		CONSTRUCTION		4,000	1,500
		TOTAL FUNDING	AGS	4,413C	1,730C
9.		DIAMOND HEAD HEALTH CENTER BUILDING AND SITE IMPROVEMENTS, OAHU			
		DESIGN AND CONSTRUCTION TO WATERPROOF AND REMEDIATE WATER DAMAGE; IMPROVEMENTS TO PAVED AND LANDSCAPED AREAS AT THE HEALTH CENTER.			
		DESIGN		203	
		CONSTRUCTION		699	
		TOTAL FUNDING	AGS	902C	C
10.		DIAMOND HEAD, LANAKILA, AND LEEWARD HEALTH CENTERS MODERNIZATION OF ELEVATORS, OAHU			
		DESIGN AND CONSTRUCTION TO MODERNIZE ELEVATORS.			
		DESIGN		1	
		CONSTRUCTION		2,104	
		TOTAL FUNDING	AGS	2,105C	C
11.		HAMAKUA HEALTH CENTER, INC., HAWAII			
		PLANS, DESIGN, AND CONSTRUCTION FOR A NEW HEALTH CENTER. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.			
		PLANS		1	
		DESIGN		1	
		CONSTRUCTION		798	
		TOTAL FUNDING	HTH	800C	C

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
12.		HILO COUNSELING CENTER AND KEAWE HEALTH CENTER IMPROVEMENTS, HAWAII			
		DESIGN AND CONSTRUCTION FOR RE-ROOFING; INTERIOR AND EXTERIOR IMPROVEMENTS; GROUND AND SITE IMPROVEMENTS.			
		DESIGN		150	
		CONSTRUCTION		4,350	
		TOTAL FUNDING	AGS	4,500C	C
13.		HILO MEDICAL CENTER, HAWAII			
		PLANS, DESIGN, CONSTRUCTION, AND EQUIPMENT, AND APPURTENANCES FOR CREATION OF A TELEHEALTH UNIT.			
		PLANS		1	
		DESIGN		199	
		CONSTRUCTION		1,799	
		EQUIPMENT		1	
		TOTAL FUNDING	AGS	2,000C	C
14.		KO'OLAULOA COMMUNITY HEALTH AND WELLNESS CENTER, OAHU			
		PLANS, LAND ACQUISITION, AND DESIGN FOR A HEALTH CENTER FACILITY. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.			
		PLANS		1	
		LAND		1	
		DESIGN		198	
		TOTAL FUNDING	HTH	200C	C
15.		WAHIAWA GENERAL HOSPITAL, OAHU			
		CONSTRUCTION AND EQUIPMENT FOR PATIENT CARE FACILITIES AND EQUIPMENT. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.			
		CONSTRUCTION		999	
		EQUIPMENT		1	
		TOTAL FUNDING	HTH	1,000C	C
16.		WAIANAЕ DISTRICT COMPREHENSIVE HEALTH AND HOSPITAL BOARD, INCORPORATED, OAHU			
		CONSTRUCTION AND EQUIPMENT FOR A DENTAL CLINIC. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.			
		CONSTRUCTION		849	
		EQUIPMENT		1	
		TOTAL FUNDING	HTH	850C	C
17.		WEST HAWAII COMMUNITY HEALTH CENTER, INC., HAWAII			
		PLANS, DESIGN, AND CONSTRUCTION FOR A HEALTH CARE FACILITY. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.			

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL YEAR 2017-2018	FISCAL YEAR 2018-2019
		PLANS		1	
		DESIGN		1	
		CONSTRUCTION		923	
		TOTAL FUNDING	HTH	925	C
17.01.		BLOOD BANK OF HAWAII			
		THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.			
		PLANS			1
		LAND			1
		DESIGN			1
		CONSTRUCTION			496
		EQUIPMENT			1
		TOTAL FUNDING	HTH	C	500
17.02.		GREGORY HOUSE PROGRAMS			
		THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.			
		PLANS			1
		LAND			1
		DESIGN			1
		CONSTRUCTION			246
		EQUIPMENT			1
		TOTAL FUNDING	HTH	C	250
17.03.		REHABILITATION HOSPITAL OF THE PACIFIC			
		THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.			
		PLANS			1
		LAND			1
		DESIGN			1
		CONSTRUCTION			346
		EQUIPMENT			1
		TOTAL FUNDING	HTH	C	350
17.04.		THE ALCOHOLIC REHABILITATION SERVICES OF HAWAII INC			
		THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.			
		PLANS			1
		LAND			1
		DESIGN			1
		CONSTRUCTION			196
		EQUIPMENT			1
		TOTAL FUNDING	HTH	C	200

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
F. SOCIAL SERVICES					
HMS503 - HAWAII YOUTH CORRECTIONAL FACILITY (HYCF)					
0.05.		HAWAII YOUTH CORRECTIONAL FACILITY, CAMPUS IMPROVEMENTS, PLANNING, OAHU			
		PLANS TO REDEVELOP THE HAWAII YOUTH CORRECTIONAL FACILITY CAMPUS TO INCLUDE MODERNIZATION OF EXISTING FACILITIES, CONSTRUCTION OF NEW FACILITIES, DEMOLITION OF UNNEEDED FACILITIES, AND SITE AND INFRASTRUCTURE IMPROVEMENTS.			
		PLANS			100
		TOTAL FUNDING	HMS	C	100C
0.06.		HAWAII YOUTH CORRECTIONAL FACILITY, OBSERVATION & ASSESSMENT COTTAGE, PERIMETER FENCE, OAHU			
		DESIGN AND CONSTRUCTION FOR THE INSTALLATION OF A PERIMETER FENCE, DEMOLITION OF THE EXISTING FENCE, AND OTHER RELATED SITE WORK.			
		DESIGN			50
		CONSTRUCTION			150
		TOTAL FUNDING	HMS	C	200C
DEF112 - SERVICES TO VETERANS					
1.		OAHU VETERANS COUNCIL, OAHU			
		EQUIPMENT FOR PHOTOVOLTAIC PANELS. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.			
		EQUIPMENT			70
		TOTAL FUNDING	DEF	70C	C
2.		PACIFIC AVIATION MUSEUM PEARL HARBOR, OAHU			
		CONSTRUCTION FOR AN AVIATION LEARNING LABORATORY. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.			
		CONSTRUCTION			400
		TOTAL FUNDING	DEF	400C	C
3.		PEARL HARBOR - HONOLULU BRANCH 46, FLEET RESERVE ASSOCIATION, OAHU			
		LAND ACQUISITION FOR PURCHASE OF A PARCEL OF LAND TO CONTINUE DELIVERY OF SERVICES AND RESOURCES OF THE FLEET RESERVE ASSOCIATION. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.			
		LAND			300
		TOTAL FUNDING	DEF	300C	C

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL YEAR 2017-2018	FISCAL YEAR 2018-2019
4.		WEST HAWAII VETERAN'S CENTER, HAWAII			
		PLANS AND DESIGN FOR THE CONSTRUCTION OF A WEST HAWAII VETERAN'S CENTER.			
		PLANS		85	
		DESIGN		765	
		TOTAL FUNDING DEF		850C	C
4.01.		PACIFIC FLEET SUBMARINE MEMORIAL ASSOCIATION, INC.			
		THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.			
		PLANS			1
		LAND			1
		DESIGN			1
		CONSTRUCTION			211
		EQUIPMENT			1
		TOTAL FUNDING DEF		C	215C

HMS220 - RENTAL HOUSING SERVICES

5.		LUMP SUM PUBLIC HOUSING DEVELOPMENT, IMPROVEMENTS, AND RENOVATIONS, STATEWIDE			
		PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION AND EQUIPMENT FOR, AMP 38, KAUAI FOR INFRASTRUCTURE PHASE I INFRASTRUCTURE AND SITE WORK FOR 6 WEST KAUAI PROJECTS; PUAHALA HOMES FOR SITE AND DWELLING IMPROVEMENTS, PHASE III; HALE PO'AI FOR INTERIOR AND EXTERIOR BUILDING AND SITE IMPROVEMENT; HAUIKI HOMES FOR ROCKFALL MITIGATION; INCLUDING, WITHOUT LIMITATIONS, SEWER, WATER, GAS, WALKWAY REPAIRS, SITE UTILITIES, ROCK FALL PROTECTION/RETAINING WALLS, EXTERIOR BUILDING REPAIRS, ROOF REPAIR AND/OR REPLACEMENT, SOLAR, PLUMBING UPGRADES, RELATED INTERIOR WORK ON PLUMBING FIXTURES, REPLACE UTILITIES AND INFRASTRUCTURE, CONSTRUCTION, AND PARKING LOT.			
		PLANS		1	
		LAND		1	
		DESIGN		3,532	
		CONSTRUCTION		14,140	
		EQUIPMENT		1	
		TOTAL FUNDING HMS		17,675C	C

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL YEAR 2017-2018	FISCAL YEAR 2018-2019
6.		LUMP SUM PUBLIC HOUSING SECURITY IMPROVEMENTS			
		DESIGN, CONSTRUCTION, AND EQUIPMENT TO DEVELOP, UPGRADE, OR RENOVATE PUBLIC HOUSING FACILITIES SECURITY, INCLUDING GROUND AND SITE IMPROVEMENTS, INFRASTRUCTURE, EQUIPMENT, APPURTENANCES, AND ALL RELATED AND ASSOCIATED PROJECT COSTS FOR PUBLIC HOUSING SECURITY IMPROVEMENTS, AND RENOVATIONS, STATEWIDE. INCLUDING FUNDS FOR PERMANENT AND NON-PERMANENT CIP PROJECT RELATED POSITIONS.			
		DESIGN		249	
		CONSTRUCTION		2,250	
		EQUIPMENT		1	
		TOTAL FUNDING	HMS	2,500	C
6.01.		LUMP SUM PUBLIC HOUSING DEVELOPMENT, IMPROVEMENTS, AND RENOVATIONS, STATEWIDE			
		PLANS, DESIGN, CONSTRUCTION, AND EQUIPMENT TO DEVELOP, UPGRADE, OR RENOVATE PUBLIC HOUSING FACILITIES, INCLUDING GROUND AND SITE IMPROVEMENTS, MODERNIZATION OF ELEVATORS, INFRASTRUCTURE, EQUIPMENT, APPURTENANCES, AND ALL RELATED AND ASSOCIATED PROJECT COSTS FOR PUBLIC HOUSING DEVELOPMENT, IMPROVEMENTS, AND RENOVATIONS, STATEWIDE, INCLUDING FUNDS FOR PERMANENT AND NON-PERMANENT CIP PROJECT RELATED POSITIONS.			
		PLANS			1
		DESIGN			2,998
		CONSTRUCTION			18,500
		EQUIPMENT			1
		TOTAL FUNDING	HMS	C	21,500
6.02.		MAYOR WRIGHT HOMES ON-SITE INFRASTRUCTURE IMPROVEMENTS, OAHU			
		PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION AND EQUIPMENT TO PRE-DEVELOP, DEVELOP, UPGRADE, RENOVATE MAYOR WRIGHT HOMES, INCLUDING GROUND AND SITE IMPROVEMENTS, EQUIPMENT, APPURTENANCES AND ALL RELATED AND ASSOCIATED PROJECT COSTS FOR PREDEVELOPMENT, DEVELOPMENT, IMPROVEMENTS, AND RENOVATIONS.			
		PLANS			1
		LAND			1
		DESIGN			497
		CONSTRUCTION			4,000
		EQUIPMENT			1
		TOTAL FUNDING	HMS	C	4,500

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
HMS229 - HAWAII PUBLIC HOUSING AUTHORITY ADMINISTRATION					
7.		LA'A KEA FOUNDATION, MAUI			
		PLANS, DESIGN, AND CONSTRUCTION FOR AFFORDABLE HOUSING ON MAUI. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.			
		PLANS		1	
		DESIGN		1	
		CONSTRUCTION		298	
		TOTAL FUNDING	HMS	300	C
HHL602 - PLANNING AND DEVELOPMENT FOR HAWAIIAN HOMESTEADS					
8.		HAWAIIAN HOME LANDS LOT DEVELOPMENT, HAWAII			
		PLANS, DESIGN, AND CONSTRUCTION FOR DEVELOPMENT OF KAUMANA SUBDIVISION LOT REHABILITATION, KAUMANA, HAWAII.			
		PLANS		1	
		DESIGN		49	
		CONSTRUCTION		450	
		TOTAL FUNDING	HHL	500	C
9.		HAWAIIAN HOME LANDS LOT DEVELOPMENT, HAWAII			
		PLANS, DESIGN, AND CONSTRUCTION FOR DEVELOPMENT OF KAU WATER SYSTEM, KAU, HAWAII.			
		PLANS		1	
		DESIGN		299	
		CONSTRUCTION		1,200	
		TOTAL FUNDING	HHL	1,500	C
10.		HAWAIIAN HOME LANDS LOT DEVELOPMENT, KAUAI			
		PLANS, DESIGN, AND CONSTRUCTION FOR DEVELOPMENT OF HANAPEPE RESIDENTIAL SUBDIVISION PHASE 2, HANAPEPE, KAUAI.			
		PLANS		1	
		DESIGN		199	
		CONSTRUCTION		800	
		TOTAL FUNDING	HHL	1,000	C
11.		HAWAIIAN HOME LANDS LOT DEVELOPMENT, MAUI			
		DESIGN AND CONSTRUCTION FOR THE DEVELOPMENT OF AGRICULTURAL OFF-SITE WATER SYSTEM, KEOKEA, MAUI AKA WATER SYSTEM IMPROVEMENTS, KEOKEA-WAIOHULI.			
		DESIGN		200	
		CONSTRUCTION		1,800	
		TOTAL FUNDING	HHL	2,000	C

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL YEAR 2017-2018	FISCAL YEAR 2018-2019
12.		HAWAIIAN HOME LANDS LOT DEVELOPMENT, MAUI			
		DESIGN AND CONSTRUCTION FOR THE DEVELOPMENT OF LEIALII PARKWAY AND HIGHWAY IMPROVEMENTS, LEIALII, MAUI.			
		DESIGN			140
		CONSTRUCTION			1,260
		TOTAL FUNDING	HHL	C	1,400C
13.		HAWAIIAN HOME LANDS LOT DEVELOPMENT, MAUI			
		DESIGN AND CONSTRUCTION FOR THE DEVELOPMENT OF PHASE 2 SITE IMPROVEMENTS (76 LOTS), KEOKEA-WAIOHULI, MAUI.			
		DESIGN		800	
		CONSTRUCTION		200	
		TOTAL FUNDING	HHL	1,000C	C
14.		HAWAIIAN HOME LANDS LOT DEVELOPMENT, MOLOKAI			
		DESIGN AND CONSTRUCTION FOR THE DEVELOPMENT OF SCATTERED LOTS SITE IMPROVEMENTS, HOOLEHUA, MOLOKAI.			
		DESIGN		150	
		CONSTRUCTION		1,350	
		TOTAL FUNDING	HHL	1,500C	C
15.		HAWAIIAN HOME LANDS LOT DEVELOPMENT, MOLOKAI			
		DESIGN AND CONSTRUCTION FOR THE DEVELOPMENT OF NAIWA SUBDIVISION SITE IMPROVEMENTS, HOOLEHUA, MOLOKAI.			
		DESIGN			150
		CONSTRUCTION			1,350
		TOTAL FUNDING	HHL	C	1,500C
16.		HAWAIIAN HOME LANDS LOT DEVELOPMENT, OAHU			
		PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION AND EQUIPMENT FOR LOT DEVELOPMENT, OAHU.			
		PLANS		1	
		LAND		1	
		DESIGN		1,377	
		CONSTRUCTION		5,520	
		EQUIPMENT		1	
		TOTAL FUNDING	AGR	6,900C	C
17.		HAWAIIAN HOME LANDS LOT DEVELOPMENT, OAHU			
		PLANS, DESIGN, AND CONSTRUCTION FOR DEVELOPMENT OF VOICE OF AMERICA, PHASE I INFRASTRUCTURE, NANAKULI, OAHU.			
		PLANS		1	
		DESIGN		159	
		CONSTRUCTION		640	
		TOTAL FUNDING	HHL	800C	C

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
18.		HAWAIIAN HOME LANDS LOT DEVELOPMENT, OAHU PLANS, DESIGN, AND CONSTRUCTION FOR DEVELOPMENT OF AGRICULTURAL LOTS, WAIMANALO, OAHU.			
		PLANS		1	
		DESIGN		259	
		CONSTRUCTION		1,040	
		TOTAL FUNDING	HHL	1,300C	C
19.		KAILAPA COMMUNITY ASSOCIATION, HAWAII CONSTRUCTION FOR THE KAILAPA COMMUNITY RESOURCE CENTER. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.			
		CONSTRUCTION		500	
		TOTAL FUNDING	HHL	500C	C
20.		LA'I'OPUA 2020, HAWAII CONSTRUCTION FOR A COMMUNITY CENTER. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.			
		CONSTRUCTION		500	
		TOTAL FUNDING	HHL	500C	C
21.		NAHASDA DEVELOPMENT PROJECTS, STATEWIDE PLANS, DESIGN, AND CONSTRUCTION FOR VARIOUS HAWAIIAN HOMESTEAD PROJECTS AND IMPROVEMENTS STATEWIDE, PURSUANT TO THE NATIVE AMERICAN HOUSING ASSISTANCE AND SELF-DETERMINATION ACT, PUBLIC LAW 107-73, 107TH CONGRESS. FUNDS NOT NEEDED IN A COST ELEMENT MAY BE USED IN ANOTHER. THIS PROJECT IS DEEMED NECESSARY TO QUALIFY FOR FEDERAL AID FINANCING AND/OR REIMBURSEMENT.			
		PLANS		1	1
		DESIGN		1,499	1,499
		CONSTRUCTION		13,500	13,500
		TOTAL FUNDING	HHL	15,000N	15,000N
22.		PULEHUNUI SITE IMPROVEMENT AND INFRASTRUCTURE, PULEHUNUI, MAUI. PLANS, DESIGN, AND CONSTRUCTION FOR SITE IMPROVEMENTS AND INFRASTRUCTURE DEVELOPMENT FOR SEWAGE TREATMENT SYSTEM IMPROVEMENTS. TO SERVICE THE ENTIRE PULEHUNUI DEVELOPMENT AREAS THAT SHALL INCLUDE ALL PSD, LNR, HHL AND MAUI COUNTY RECREATION AREAS; GROUND AND SITE IMPROVEMENTS.			
		PLANS		1	
		DESIGN		3,499	
		CONSTRUCTION		14,000	
		TOTAL FUNDING	HHL	17,500C	C

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL YEAR 2017-2018	FISCAL YEAR 2018-2019
23.		R & M - HAWAIIAN HOME LANDS EXISTING INFRASTRUCTURE, MAUI			
		DESIGN AND CONSTRUCTION FOR THE REPAIR AND MAINTENANCE OF ROADWAY SAFETY AND DRAINAGE IMPROVEMENTS, KULA MAUI.			
		DESIGN		120	
		CONSTRUCTION		1,080	
		TOTAL FUNDING	HHL	1,200C	C
24.		R & M - HAWAIIAN HOME LANDS EXISTING INFRASTRUCTURE, MAUI			
		DESIGN AND CONSTRUCTION FOR THE REPAIR AND MAINTENANCE OF ARCHAEOLOGICAL PRESERVATION IMPROVEMENTS, KEOKEA-WAIOHULI, MAUI.			
		DESIGN		100	
		CONSTRUCTION		900	
		TOTAL FUNDING	HHL	1,000C	C
25.		R & M - HAWAIIAN HOME LANDS EXISTING INFRASTRUCTURE, STATEWIDE			
		DESIGN AND CONSTRUCTION FOR THE REPAIR AND MAINTENANCE OF UTILITIES IN EXISTING HOMESTEAD SUBDIVISION, WATER, SEWER, DRAINAGE, AND STREETLIGHTS, STATEWIDE.			
		DESIGN		580	
		CONSTRUCTION		2,320	
		TOTAL FUNDING	HHL	2,900C	C
26.		R & M HAWAIIAN HOME LANDS EXISTING INFRASTRUCTURE, STATEWIDE			
		DESIGN AND CONSTRUCTION FOR THE REPAIR AND MAINTENANCE OF MOLOKAI AND KAUAI WATER SYSTEMS SECURITY ENHANCEMENTS.			
		DESIGN		50	
		CONSTRUCTION		450	
		TOTAL FUNDING	HHL	500C	C
27.		R & M HAWAIIAN HOME LANDS EXISTING INFRASTRUCTURE, STATEWIDE			
		PLANS, DESIGN, AND CONSTRUCTION FOR THE REPAIR AND MAINTENANCE OF ENVIRONMENTAL MITIGATION AND REMEDIATION ON EXISTING LOTS, STATEWIDE.			
		PLANS		1	
		DESIGN		199	
		CONSTRUCTION		1,800	
		TOTAL FUNDING	HHL	2,000C	C

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL YEAR 2017-2018	FISCAL YEAR 2018-2019
28.		WAIANAE COAST SECOND ACCESS ROAD, OAHU			
		PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR SECONDARY ACCESS ROAD FOR LEEWARD COAST INCLUDING BUT NOT LIMITED TO SAFETY IMPROVEMENTS, SYSTEM PRESERVATION AND TRAFFIC/ CONGESTION RELIEF.			
		PLANS		1	
		LAND		1	
		DESIGN		597	
		CONSTRUCTION		2,400	
		EQUIPMENT		1	
		TOTAL FUNDING	HHL	3,000	C
29.		WAIHOULI HAWAIIAN HOMESTEADERS ASSOCIATION, INC. (WHHA), MAUI			
		CONSTRUCTION FOR A COMMUNITY CENTER. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.			
		CONSTRUCTION		500	
		TOTAL FUNDING	HHL	500	C
29.01.		KAMAKOU CHARTER SCHOOL ROAD, OAHU			
		DESIGN AND CONSTRUCTION FOR FLOOD CONTROL AND DRAINAGE IMPROVEMENTS AND EQUIPMENT FOR KE KULA O KAMAKAU CHARTER SCHOOL.			
		DESIGN			5
		CONSTRUCTION			45
		TOTAL FUNDING	HHL	C	50C
29.02.		KEOKEA-WAIHOULI DEVELOPMENT, MAUI			
		PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR PHASE 2 SITE IMPROVEMENTS (76 LOTS); EQUIPMENT AND APPURTENANCES.			
		PLANS			1
		LAND			1
		DESIGN			477
		CONSTRUCTION			5,000
		EQUIPMENT			1
		TOTAL FUNDING	HHL	C	5,480C
29.03.		KULA RESIDENCE LOTS, MAUI			
		PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR ROADWAY SAFETY AND DRAINAGE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		PLANS			1
		LAND			1
		DESIGN			197
		CONSTRUCTION			1,000
		EQUIPMENT			1
		TOTAL FUNDING	HHL	C	1,200C

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
29.04.		LUMP SUM R&M - HAWAIIAN HOME LANDS EXISTING INFRASTRUCTURE, STATEWIDE			
		PLANS, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR REPAIR AND MAINTENANCE TO EXISTING INFRASTRUCTURE ON VARIOUS HAWAIIAN HOME LANDS, STATEWIDE.			
		PLANS			1
		DESIGN			498
		CONSTRUCTION			2,500
		EQUIPMENT			1
		TOTAL FUNDING	HHL	C	3,000C
29.05.		MOLOKAI VETERANS CENTER, MOLOKAI			
		PLANS, DESIGN, CONSTRUCTION AND EQUIPMENT FOR PARKING LOT PORTABLE FACILITY AND INSTALLATION OF SEPTIC TANK AND PHOTOVOLTAIC SYSTEM; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES IN HOOLEHUA TO PROVIDE SERVICES TO VETERANS AND HOMESTEAD RESIDENTS. THE LEGISLATURE FINDS AND DECLARES THAT THE APPROPRIATION IS IN THE PUBLIC INTEREST AND FOR THE PUBLIC'S HEALTH, SAFETY AND GENERAL WELFARE OF THE STATE.			
		PLANS			1
		DESIGN			998
		CONSTRUCTION			3,000
		EQUIPMENT			1
		TOTAL FUNDING	HHL	C	4,000C
29.06.		WAIANAE COAST PARALLEL ROUTE, OAHU			
		PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR PARALLEL ROUTE FOR THE WAIANAE COAST, INCLUDING BUT NOT LIMITED TO SAFETY IMPROVEMENTS, SYSTEM PRESERVATION, AND TRAFFIC/ CONGESTION RELIEF.			
		PLANS			1
		LAND			1
		DESIGN			497
		CONSTRUCTION			1,500
		EQUIPMENT			1
		TOTAL FUNDING	HHL	C	2,000C
29.07.		KAILAPA COMMUNITY ASSOCIATION			
		THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.			
		PLANS			1
		LAND			1
		DESIGN			1
		CONSTRUCTION			596
		EQUIPMENT			1
		TOTAL FUNDING	HHL	C	600C

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL YEAR 2017-2018	FISCAL YEAR 2018-2019
29.08.		LAI'I'OPUA 2020			
		THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.			
		PLANS			1
		LAND			1
		DESIGN			1
		CONSTRUCTION			446
		EQUIPMENT			1
		TOTAL FUNDING	HHL	C	450 C
29.09.		WAIHULI HAWAIIAN HOMESTEADERS ASSOCIATION, INC.			
		THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.			
		PLANS			1
		LAND			1
		DESIGN			1
		CONSTRUCTION			446
		EQUIPMENT			1
		TOTAL FUNDING	HHL	C	450 C

HTH520 - DISABILITY AND COMMUNICATIONS ACCESS BOARD

29.10.		WAIKIKI COMMUNITY CENTER			
		THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.			
		PLANS			1
		LAND			1
		DESIGN			1
		CONSTRUCTION			296
		EQUIPMENT			1
		TOTAL FUNDING	HTH	C	300 C

G. FORMAL EDUCATION

EDN100 - SCHOOL-BASED BUDGETING

1.		AIEA HIGH SCHOOL, OAHU			
		PLANS AND DESIGN FOR A NEW BUILDING, AND RENOVATION AND EXPANSION FOR A GIRLS' ATHLETIC LOCKER ROOM, WEIGHT TRAINING FACILITY, AND OTHER ATHLETIC FACILITIES; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		PLANS			390
		DESIGN			3,510
		TOTAL FUNDING	EDN		3,900 C
2.		AIEA INTERMEDIATE SCHOOL, OAHU			
		CONSTRUCTION AND EQUIPMENT TO COMPLETE CAFETERIA RENOVATION; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL YEAR 2017-2018	FISCAL YEAR 2018-2019
		CONSTRUCTION		495	
		EQUIPMENT		55	
		TOTAL FUNDING	EDN	550C	C
3.		AINA HAINA ELEMENTARY SCHOOL, OAHU			
		DESIGN AND CONSTRUCTION OF AMERICANS WITH DISABILITIES ACT COMPLIANT RESTROOMS FOR PUBLIC MEETING ATTENDEES.			
		DESIGN		100	
		CONSTRUCTION		400	
		TOTAL FUNDING	EDN	500C	C
4.		ALA WAI ELEMENTARY SCHOOL, OAHU			
		CONSTRUCTION FOR COVERED PLAY COURT; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		CONSTRUCTION		1,000	
		TOTAL FUNDING	EDN	1,000C	C
5.		ANUENUE HAWAIIAN IMMERSION SCHOOL, OAHU			
		PLANS AND DESIGN FOR MULTI-PURPOSE ATHLETIC FACILITY, A FREE-STANDING LOCKER, SHOWER ROOM, AND COVERED PLAY COURT; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		PLANS		35	
		DESIGN		315	
		TOTAL FUNDING	EDN	350C	C
6.		AUGUST AHRENS ELEMENTARY, OAHU			
		DESIGN, CONSTRUCTION, AND EQUIPMENT FOR A NEW CLASSROOM BUILDING; AND IMPROVEMENTS TO THE BASKETBALL COURT PLAYING SURFACE; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		DESIGN		224	
		CONSTRUCTION		1,792	
		EQUIPMENT		224	
		TOTAL FUNDING	EDN	2,240C	C
7.		CAMPBELL HIGH SCHOOL, OAHU			
		PLANS, DESIGN, AND CONSTRUCTION FOR A CLASSROOM BUILDING; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		PLANS		1	
		DESIGN		5,399	
		CONSTRUCTION		21,600	
		TOTAL FUNDING	EDN	27,000C	C

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL YEAR 2017-2018	FISCAL YEAR 2018-2019
8.		EAST KAPOLEI MIDDLE SCHOOL, OAHU			
		CONSTRUCTION FOR A NEW SCHOOL; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		CONSTRUCTION		77,000	
		TOTAL FUNDING EDN		77,000C	C
9.		FARRINGTON HIGH SCHOOL, OAHU			
		PLANS, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR CAMPUS MODERNIZATION; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		PLANS		1	
		DESIGN		398	
		CONSTRUCTION		1,600	
		EQUIPMENT		1	
		TOTAL FUNDING EDN		2,000C	C
10.		FERN ELEMENTARY SCHOOL, OAHU			
		PLANS, DESIGN, AND CONSTRUCTION OF A COVERED WALKWAY FROM B BUILDING TO THE CAFETERIA; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		PLANS		1	
		DESIGN		89	
		CONSTRUCTION		360	
		TOTAL FUNDING EDN		450C	C
11.		FORT SHAFTER ELEMENTARY SCHOOL, OAHU			
		PLANS FOR THE MASTER PLAN OF THE EXPANSION OF THE ADMINISTRATIVE/ CLASSROOM BUILDING FOR A MULTI- PURPOSE SCIENCE CENTER; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		PLANS		350	
		TOTAL FUNDING EDN		350C	C
12.		HAIKU ELEMENTARY SCHOOL, MAUI			
		PLANS, DESIGN, AND CONSTRUCTION TO REPLACE ROOF; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		PLANS		1	
		DESIGN		49	
		CONSTRUCTION		450	
		TOTAL FUNDING EDN		500C	C

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL YEAR 2017-2018	FISCAL YEAR 2018-2019
13.		HE'EIA ELEMENTARY SCHOOL, OAHU			
		PLANS, DESIGN, AND CONSTRUCTION FOR A FIRE LANE ACCESS TO THE REAR OF THE SCHOOL AND INSTALLATION OF AN ADDITIONAL FIRE HYDRANT; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		PLANS		1	
		DESIGN		121	
		CONSTRUCTION		1,098	
		TOTAL FUNDING	EDN	1,220	C
14.		HILO HIGH SCHOOL, HAWAII			
		PLANS AND DESIGN TO UPGRADE THE TRACK AND FIELD; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		PLANS		125	
		DESIGN		1,125	
		TOTAL FUNDING	EDN	1,250	C
15.		HILO HIGH SCHOOL, HAWAII			
		PLANS AND DESIGN TO RENOVATE BUILDING B, INCLUDING THE AUDITORIUM; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		PLANS		240	
		DESIGN		2,160	
		TOTAL FUNDING	EDN	2,400	C
16.		HILO INTERMEDIATE SCHOOL, HAWAII			
		DESIGN AND CONSTRUCTION FOR NEW OR RENOVATION OF BOYS' AND GIRLS' LOCKER ROOM; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		DESIGN		95	
		CONSTRUCTION		855	
		TOTAL FUNDING	EDN	950	C
17.		HOKULANI ELEMENTARY SCHOOL, OAHU			
		PLANS, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR A COVERED PLAYCOURT FACILITY; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		PLANS		1	
		DESIGN		198	
		CONSTRUCTION		800	
		EQUIPMENT		1	
		TOTAL FUNDING	EDN	1,000	C

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
18.		HONOKAA HIGH SCHOOL, HAWAII			
		PLANS, DESIGN, AND CONSTRUCTION OF COVERED WALKWAY TO CONNECT HONOKAA HIGH SCHOOL BUILDINGS; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		PLANS		1	
		DESIGN		299	
		CONSTRUCTION		1,200	
		TOTAL FUNDING	EDN	1,500C	
19.		KAHALU'U ELEMENTARY SCHOOL, OAHU			
		PLANS, DESIGN, AND CONSTRUCTION FOR CAMPUS-WIDE ELECTRICAL UPGRADES; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		PLANS		1	
		DESIGN		89	
		CONSTRUCTION		810	
		TOTAL FUNDING	EDN	900C	
20.		KAHUKU HIGH AND INTERMEDIATE SCHOOL, OAHU			
		PLANS, DESIGN, AND CONSTRUCTION FOR DRAINAGE IMPROVEMENTS AND FLOOD MITIGATION; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		PLANS		1	
		DESIGN		99	
		CONSTRUCTION		900	
		TOTAL FUNDING	EDN	1,000C	
21.		KAHULUI ELEMENTARY SCHOOL, MAUI			
		PLANS AND DESIGN FOR AIR CONDITIONING UNITS FOR THE HEAT ABATEMENT OF KAHULUI ELEMENTARY SCHOOL; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		PLANS		70	
		DESIGN		630	
		TOTAL FUNDING	EDN	700C	
22.		KAILUA HIGH SCHOOL, OAHU			
		PLANS FOR A PERFORMING ARTS CENTER; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		PLANS		1,000	
		TOTAL FUNDING	EDN	1,000C	
23.		KAILUA INTERMEDIATE SCHOOL, OAHU			
		DESIGN, CONSTRUCTION, AND EQUIPMENT TO RENOVATE BUILDING F FOR THE STREAM ACADEMY; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL YEAR 2017-2018	FISCAL YEAR 2018-2019
		DESIGN		99	
		CONSTRUCTION		400	
		EQUIPMENT		1	
		TOTAL FUNDING	EDN	500C	C
24.		KAIMUKI HIGH SCHOOL, OAHU			
		PLANS AND DESIGN FOR SOCCER COMPLEX; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		PLANS		50	
		DESIGN		450	
		TOTAL FUNDING	EDN	500C	C
25.		KAIMUKI MIDDLE SCHOOL, OAHU			
		DESIGN AND CONSTRUCTION TO INSTALL COVERED WALKWAYS AT KAIMUKI MIDDLE SCHOOL; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		DESIGN		50	
		CONSTRUCTION		450	
		TOTAL FUNDING	EDN	500C	C
26.		KALAMA INTERMEDIATE SCHOOL, MAUI			
		PLANS, DESIGN, AND CONSTRUCTION FOR IMPROVEMENTS OR EXPANSION OF THE MUSIC BAND ROOM; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		PLANS		80	1
		DESIGN		320	1
		CONSTRUCTION			7,998
		TOTAL FUNDING	EDN	400C	8,000C
27.		KANOELANI ELEMENTARY SCHOOL, OAHU			
		PLANS, DESIGN, AND CONSTRUCTION OF A PORTABLE CLASSROOM WITH FIRE LANE AND HYDRANT; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		PLANS		1	
		DESIGN		79	
		CONSTRUCTION		720	
		TOTAL FUNDING	EDN	800C	C
28.		KAPAA HIGH SCHOOL, KAUAI			
		PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR THE INITIAL PHASE TOWARD A NEW SCHOOL GYM; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		PLANS		1	
		LAND		1	
		DESIGN		47	
		CONSTRUCTION		450	
		EQUIPMENT		1	
		TOTAL FUNDING	EDN	500C	C

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
29.		KAPUNAHALA ELEMENTARY SCHOOL, OAHU			
		PLANS, DESIGN, AND CONSTRUCTION FOR COVERED WALKWAYS BETWEEN BUILDINGS A AND B, AND BETWEEN B AND C; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		PLANS		1	
		DESIGN		47	
		CONSTRUCTION		432	
		TOTAL FUNDING EDN		480C	C
30.		KAUAI HIGH SCHOOL, KAUAI			
		DESIGN, CONSTRUCTION, AND EQUIPMENT FOR RENOVATIONS TO LOCKER ROOMS AND/OR GIRLS' ATHLETIC LOCKER ROOM; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		DESIGN		19	19
		CONSTRUCTION		180	180
		EQUIPMENT		1	1
		TOTAL FUNDING EDN		200C	200C
31.		KE KULA O EHUNUIKAIMALINO, HAWAII			
		DESIGN AND CONSTRUCTION FOR CAMPUS-WIDE REPAIR AND MAINTENANCE, ELECTRICAL UPGRADES; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		DESIGN		18	
		CONSTRUCTION		168	
		TOTAL FUNDING EDN		186C	C
32.		KEALAKEHE HIGH SCHOOL, HAWAII			
		PLANS, DESIGN, AND CONSTRUCTION OF ALL-WEATHER SYNTHETIC TRACK. PLANNING AND DESIGN FOR PERFORMING ARTS AND STUDENT ACTIVITIES CENTER; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		PLANS		1	
		DESIGN		649	
		TOTAL FUNDING EDN		650C	C
33.		KIHEI HIGH SCHOOL, MAUI			
		PLANS, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR A NEW SCHOOL; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		PLANS		1	
		DESIGN		6,298	
		CONSTRUCTION		56,700	
		EQUIPMENT		1	
		TOTAL FUNDING EDN		63,000C	C

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
34.		KING DAVID KALAKAUA MIDDLE SCHOOL, OAHU			
		PLANS, DESIGN, AND CONSTRUCTION TO REPAIR THEIR INOPERABLE FIRE ALARM SYSTEM; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		PLANS		1	
		DESIGN		14	
		CONSTRUCTION		135	
		TOTAL FUNDING	EDN	150C	C
35.		KING KEKAULIKE HIGH SCHOOL, MAUI			
		PLANS, DESIGN, AND CONSTRUCTION FOR A NEW GIRLS' SOFTBALL BATTING CAGE INCLUDING STORAGE; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		PLANS		1	
		DESIGN		149	
		CONSTRUCTION		1,200	
		TOTAL FUNDING	EDN	1,350C	C
36.		KOHALA HIGH SCHOOL, HAWAII			
		PLANS AND DESIGN FOR THE KOHALA HIGH SCHOOL GYMNASIUM; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		PLANS		200	
		DESIGN		800	
		TOTAL FUNDING	EDN	1,000C	C
37.		KOHALA MIDDLE SCHOOL, HAWAII			
		PLANS, DESIGN, AND CONSTRUCTION FOR A DUAL USE PLAYCOURT/ASSEMBLY AREA; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		PLANS		1	
		DESIGN		699	
		CONSTRUCTION			2,900
		TOTAL FUNDING	EDN	700C	2,900C
38.		KONAWAENA HIGH SCHOOL, HAWAII			
		PLANS, DESIGN, CONSTRUCTION, AND EQUIPMENT TO REPLACE BUILDING GUTTERS AND RENOVATE RESTROOM; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		PLANS		1	
		DESIGN		13	
		CONSTRUCTION		135	
		EQUIPMENT		1	
		TOTAL FUNDING	EDN	150C	C

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
39.		KUALAPUU ELEMENTARY SCHOOL, MOLOKAI			
		PLANS, DESIGN, AND CONSTRUCTION TO REPLACE ROOF; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		PLANS		1	
		DESIGN		22	
		CONSTRUCTION		207	
		TOTAL FUNDING EDN		230C	C
40.		KUHIO ELEMENTARY SCHOOL, OAHU			
		PLANS, DESIGN, AND CONSTRUCTION FOR THE REPAVING AND RENOVATION OF BASKETBALL COURTS; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		PLANS		1	
		DESIGN		19	
		CONSTRUCTION		180	
		TOTAL FUNDING EDN		200C	C
41.		KULA ELEMENTARY SCHOOL, MAUI			
		DESIGN AND CONSTRUCTION OF A PORTABLE TRAILER OFFICE AND/OR CLASSROOM INCLUDING A COVERED AREA WITH STORAGE UNITS AT THE OLD KEOKEA ELEMENTARY SCHOOL; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		DESIGN		500	
		CONSTRUCTION			2,500
		TOTAL FUNDING EDN		500C	2,500C
42.		LANAI HIGH AND ELEMENTARY SCHOOL, MOLOKAI			
		PLANS, DESIGN, AND CONSTRUCTION FOR BUILDING RENOVATIONS; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		PLANS		1	
		DESIGN		142	
		CONSTRUCTION		1,291	
		TOTAL FUNDING EDN		1,434C	C
43.		LUMP SUM CIP - CONDITION, STATEWIDE			
		PLANS, DESIGN, CONSTRUCTION, AND EQUIPMENT TO MAINTAIN AND IMPROVE FACILITIES AND INFRASTRUCTURE, INCLUDING HAZARDOUS MATERIALS REMEDIATION; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		PLANS		1	1
		DESIGN		17,998	10,898
		CONSTRUCTION		72,000	43,600
		EQUIPMENT		1	1
		TOTAL FUNDING EDN		90,000C	54,500C

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
44.		LUMP SUM CIP - EQUITY, STATEWIDE			
		PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR EQUITY, INCLUDING NEW FACILITIES, RENOVATION, EXPANSION AND/OR REPLACEMENT OF FACILITIES; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		PLANS		1	1
		LAND		1	1
		DESIGN		6,587	1,997
		CONSTRUCTION		26,360	8,000
		EQUIPMENT		1	1
		TOTAL FUNDING EDN		32,950 C	10,000 C
45.		LUMP SUM CIP - PROGRAM SUPPORT, STATEWIDE			
		PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR PROGRAM SUPPORT INCLUDING NEW FACILITIES, TEMPORARY FACILITIES, AND IMPROVEMENTS AND/OR ADDITIONS TO EXISTING FACILITIES; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		PLANS		1	1
		LAND		1	1
		DESIGN		6,587	3,397
		CONSTRUCTION		26,360	13,600
		EQUIPMENT		1	1
		TOTAL FUNDING EDN		32,950 C	17,000 C
46.		LUNALILO ELEMENTARY SCHOOL, OAHU			
		PLANS, DESIGN, AND CONSTRUCTION FOR A SPRINKLER SYSTEM FOR THE AREA AROUND THE PLAYGROUND; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		PLANS		1	
		DESIGN		19	
		CONSTRUCTION		180	
		TOTAL FUNDING EDN		200 C	C
47.		LUNALILO ELEMENTARY SCHOOL, OAHU			
		EQUIPMENT FOR A NEW BELL SYSTEM TO INCLUDE SAFETY AND EMERGENCY NOTIFICATIONS AND A GLOBAL POSITIONING SYSTEM CLOCK SYSTEM; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		EQUIPMENT		200	
		TOTAL FUNDING EDN		200 C	C

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
48.		MAEMAE ELEMENTARY SCHOOL, OAHU			
		PLANS, DESIGN, AND CONSTRUCTION FOR COVERED PLAY COURT; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		PLANS		1	1
		DESIGN		299	1
		CONSTRUCTION			4,298
		TOTAL FUNDING EDN		300C	4,300C
49.		MAKAWAO ELEMENTARY SCHOOL, MAUI			
		PLANS, DESIGN, AND CONSTRUCTION OF COVERED WALKWAYS; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		PLANS		1	
		DESIGN		198	
		CONSTRUCTION		1	
		TOTAL FUNDING EDN		200C	C
50.		MANANA ELEMENTARY SCHOOL, OAHU			
		DESIGN AND CONSTRUCTION FOR AN ADDITIONAL PARKING LOT; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		DESIGN		600	
		CONSTRUCTION			2,400
		TOTAL FUNDING EDN		600C	2,400C
51.		MAUI HIGH SCHOOL, MAUI			
		DESIGN AND CONSTRUCTION FOR REPLACEMENT OF GYM FLOOR, BAND CHOIR (BLDG J) EXPANSION AND RENOVATION, NEW WEIGHT TRAINING/ WRESTLING BUILDING; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		DESIGN		200	
		CONSTRUCTION		800	
		TOTAL FUNDING EDN		1,000C	C
52.		MAUI WAENA INTERMEDIATE SCHOOL, MAUI			
		PLANS AND DESIGN FOR AIR CONDITIONING UNITS FOR THE HEAT ABATEMENT OF MAUI WAENA INTERMEDIATE SCHOOL; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		PLANS		80	
		DESIGN		720	
		TOTAL FUNDING EDN		800C	C
53.		MILILANI HIGH SCHOOL, OAHU			
		PLANS FOR A PERFORMING ARTS CENTER; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
		PLANS		2,000	1
		TOTAL FUNDING	EDN	2,000 C	C
			EDN	R	1R
54.		MILILANI HIGH SCHOOL, OAHU			
		PLANS AND DESIGN FOR ENCLOSING OF A BUILDING COURTYARD AND EXTENSION OF A BUILDING AT SCHOOL ENTRANCE; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		PLANS		70	
		DESIGN		280	
		TOTAL FUNDING	EDN	350 C	C
55.		MILILANI MIDDLE SCHOOL, OAHU			
		CONSTRUCTION FOR A FIFTEEN CLASSROOM BUILDING; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		CONSTRUCTION		11,500	
		TOTAL FUNDING	EDN	11,500 C	C
56.		MOANALUA HIGH SCHOOL, OAHU			
		CONSTRUCTION FOR PERFORMING ARTS CENTER; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		CONSTRUCTION		15,000	
		TOTAL FUNDING	EDN	15,000 C	C
57.		MOMILANI ELEMENTARY SCHOOL, OAHU			
		PLANS, DESIGN, AND CONSTRUCTION FOR A NEW PORTABLE CLASSROOM; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		PLANS		1	
		DESIGN		499	
		CONSTRUCTION			2,000
		TOTAL FUNDING	EDN	500 C	2,000 C
58.		NAALEHU ELEMENTARY SCHOOL, HAWAII			
		DESIGN AND CONSTRUCTION FOR NEW COVERED WALKWAYS; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		DESIGN		120	
		CONSTRUCTION		1,080	
		TOTAL FUNDING	EDN	1,200 C	C
59.		NIMITZ ELEMENTARY SCHOOL, OAHU			
		DESIGN AND CONSTRUCTION FOR LANDSCAPE IMPROVEMENTS FOR LOWER AND UPPER ELEMENTARY PLAYGROUND EQUIPMENT; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
		DESIGN		9	
		CONSTRUCTION		86	
		TOTAL FUNDING	EDN	95C	C
60.		NIMITZ ELEMENTARY SCHOOL, OAHU			
		DESIGN AND CONSTRUCTION FOR RENOVATION OF BUILDING D RESTROOMS; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		DESIGN		26	
		CONSTRUCTION		238	
		TOTAL FUNDING	EDN	264C	C
61.		NOELANI ELEMENTARY SCHOOL, OAHU			
		PLANS, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR NEW MULTI-PURPOSE/ LIBRARY BUILDING INCLUDING THE RELOCATION/RENOVATION/REPLACEMENT OF PORTABLE BUILDINGS AND ENCLOSED PLAYGROUND; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		PLANS		1	1
		DESIGN		1	1
		CONSTRUCTION		1,197	1,497
		EQUIPMENT		1	1
		TOTAL FUNDING	EDN	1,200C	1,500C
62.		OLOMANA SCHOOL, OAHU			
		PLANS, DESIGN, AND CONSTRUCTION FOR EXPANSION OF THE EXISTING PHYSICAL EDUCATION PORTABLE BUILDING; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		PLANS		1	
		DESIGN		13	
		CONSTRUCTION		126	
		TOTAL FUNDING	EDN	140C	C
63.		PAAUILO ELEMENTARY SCHOOL, HAWAII			
		PLANS AND DESIGN FOR THE RENOVATION OF THE HOME ECONOMICS CLASSROOM TO MEET DEPARTMENT OF HEALTH STANDARDS FOR A CERTIFIED KITCHEN; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		PLANS		80	
		DESIGN		320	
		TOTAL FUNDING	EDN	400C	C
64.		PAHOA ELEMENTARY SCHOOL, HAWAII			
		PLANS FOR MASTER PLAN FOR A NEW CAFETERIA AND ADMINISTRATION BUILDING; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		PLANS		500	
		TOTAL FUNDING	EDN	500C	C

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
65.		PALISADES ELEMENTARY SCHOOL, OAHU			
		PLANS, DESIGN, AND CONSTRUCTION FOR ELECTRICAL UPGRADES; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		PLANS		1	
		DESIGN		359	
		CONSTRUCTION		1,440	
		TOTAL FUNDING	EDN	1,800C	C
66.		PEARL CITY HIGH SCHOOL, OAHU			
		PLANS, DESIGN, AND CONSTRUCTION FOR KLM PARKING LOT IMPROVEMENTS, CAFETERIA PARKING LOT, AND ROAD TO THE BAND ROOM; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		PLANS		1	
		DESIGN		399	
		CONSTRUCTION			1,600
		TOTAL FUNDING	EDN	400C	1,600C
67.		POHUKAINA ELEMENTARY SCHOOL, OAHU			
		PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR A NEW ELEMENTARY SCHOOL; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		PLANS		1	1
		LAND		1	1
		DESIGN		1,997	1,997
		CONSTRUCTION		8,000	8,000
		EQUIPMENT		1	1
		TOTAL FUNDING	EDN	10,000C	10,000C
68.		PRESIDENT GEORGE WASHINGTON MIDDLE SCHOOL, OAHU			
		CONSTRUCTION TO RELOCATE EXISTING SEWER LINE AND MAIN ELECTRICAL FEEDERS TO CONSTRUCT AND/OR EXPAND NEW BAND ROOM; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		CONSTRUCTION		250	
		TOTAL FUNDING	EDN	250C	C
69.		PRESIDENT WILLIAM MCKINLEY HIGH SCHOOL, OAHU			
		DESIGN AND CONSTRUCTION FOR STADIUM IMPROVEMENTS, INCLUDING NEW AND REPLACEMENT BLEACHERS, ADA RAMP, STADIUM AND GENERAL LIGHTING; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		DESIGN		150	323
		CONSTRUCTION		1,350	2,907
		TOTAL FUNDING	EDN	1,500C	3,230C

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL YEAR 2017-2018	FISCAL YEAR 2018-2019
70.		PUKALANI ELEMENTARY SCHOOL, MAUI			
		DESIGN AND CONSTRUCTION FOR IMPROVEMENTS, RENOVATIONS, EXPANSION, AND DEVELOPMENT OF EXISTING STRUCTURES AND NEW FACILITIES; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		DESIGN		499	
		CONSTRUCTION		1	
		TOTAL FUNDING EDN		500C	C
71.		PUOHALA ELEMENTARY SCHOOL, OAHU			
		PLANS, DESIGN, AND CONSTRUCTION FOR HILLSIDE EROSION STABILIZATION AND CONTROL; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		PLANS		1	
		DESIGN		39	
		CONSTRUCTION		360	
		TOTAL FUNDING EDN		400C	C
72.		PUUHALE ELEMENTARY SCHOOL, OAHU			
		PLANS, DESIGN, AND CONSTRUCTION OF A PAVED PARKING LOT ON AN EXISTING GRAVEL LOT; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		PLANS		1	
		DESIGN		29	
		CONSTRUCTION		270	
		TOTAL FUNDING EDN		300C	C
73.		RED HILL ELEMENTARY SCHOOL, OAHU			
		DESIGN, CONSTRUCTION, AND EQUIPMENT FOR A COVERED PLAYCOURT, GROUND AND SITE IMPROVEMENTS, EQUIPMENT AND APPURTENANCES.			
		DESIGN		250	
		CONSTRUCTION		2,000	
		EQUIPMENT		250	
		TOTAL FUNDING EDN		2,500C	C

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
74.		RENOVATION OF EXISTING CLASSROOMS AND OTHER SUPPORT FACILITIES, STATEWIDE			
		PLANS, DESIGN, CONSTRUCTION, AND EQUIPMENT TO RENOVATE EXISTING CLASSROOMS AND OTHER SUPPORT FACILITIES TO ALIGN WITH ACADEMY CONCEPT AT VARIOUS HIGH SCHOOLS STATEWIDE. SCHOOLS SELECTED FOR THIS PROGRAM SHALL HAVE AN EXISTING PROGRAM IN PLACE, IDENTIFIED INDUSTRY PARTNERS, CLEAR PATHWAY WITH HIGHER EDUCATION AND ULTIMATE EMPLOYMENT OPPORTUNITIES. PROJECTS TO INCLUDE: ENGINEERING AND ARCHITECTURE ACADEMY AT KAIMUKI HIGH SCHOOL, OAHU AND CYBERSECURITY ACADEMY AT LEILEHUA HIGH SCHOOL, OAHU.			
		PLANS		1	
		DESIGN		1	
		CONSTRUCTION		2,497	
		EQUIPMENT		1	
		TOTAL FUNDING EDN		2,500 C	
75.		ROOSEVELT HIGH SCHOOL, OAHU			
		PLANS AND DESIGN FOR A NEW GYMNASIUM WITH LOCKER ROOMS, CLASSROOMS, AND OTHER RELATED FACILITIES NECESSARY TO PROVIDE EQUITABLE OPPORTUNITIES FOR GIRLS AND BOYS; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		PLANS		1	
		DESIGN		2,499	
		TOTAL FUNDING EDN		2,500 C	
76.		SALT LAKE ELEMENTARY SCHOOL, OAHU			
		DESIGN AND CONSTRUCTION FOR A COVERED PLAY AREA; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		DESIGN		80	
		CONSTRUCTION		720	
		TOTAL FUNDING EDN		800 C	
77.		SUNSET BEACH ELEMENTARY SCHOOL, OAHU			
		DESIGN OF TWO SETS OF STAIRS AND A RAMP LEADING FROM THE CAMPUS TO THE PARK; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		DESIGN		300	
		TOTAL FUNDING EDN		300 C	

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL YEAR 2017-2018	FISCAL YEAR 2018-2019
78.		WAIAKEAWAENA ELEMENTARY, HAWAII			
		PLANS, DESIGN, CONSTRUCTION, AND EQUIPMENT TO RENOVATE AND/OR EXPAND AND/OR BUILD NEW CAFETERIA AND ADMINISTRATION BUILDINGS; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		PLANS		1	
		DESIGN		498	
		CONSTRUCTION		2,000	
		EQUIPMENT		1	
		TOTAL FUNDING	EDN	2,500	C
79.		WAIANAE HIGH SCHOOL, OAHU			
		DESIGN AND CONSTRUCTION FOR A RUBBERIZED ALL-WEATHER TRACK AND FIELD; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		DESIGN		175	
		CONSTRUCTION		1,575	
		TOTAL FUNDING	EDN	1,750	C
80.		WAIANAE HIGH SCHOOL, OAHU			
		PLANS, DESIGN, CONSTRUCTION, AND EQUIPMENT TO CONVERT A CLASSROOM INTO A MARINE SCIENCE LEARNING CENTER; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		PLANS		1	
		DESIGN		63	
		CONSTRUCTION		585	
		EQUIPMENT		1	
		TOTAL FUNDING	EDN	650	C
81.		WAIHEE ELEMENTARY SCHOOL, MAUI			
		PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR ADMINISTRATION BUILDING; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		PLANS		1	
		LAND		1	
		DESIGN		1,230	
		CONSTRUCTION		11,103	
		EQUIPMENT		1	
		TOTAL FUNDING	EDN	12,336	C
82.		WAIKELE ELEMENTARY SCHOOL, OAHU			
		PLANS, DESIGN, AND CONSTRUCTION OF A SIX-CLASSROOM BUILDING TO ACCOMMODATE THE GROWING STUDENT BODY; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		PLANS			1

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
		DESIGN			139
		CONSTRUCTION			1,260
		TOTAL FUNDING	EDN	C	1,400
83.		WAIKIKI ELEMENTARY SCHOOL, OAHU			
		PLANS, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR ELECTRICAL UPGRADES FOR SCHOOL ELECTRICAL SYSTEM AND REPLACE CURTAINS FOR STAGE IN CAFETERIA; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		PLANS			1
		DESIGN			79
		CONSTRUCTION			734
		EQUIPMENT			1
		TOTAL FUNDING	EDN		815
					C
84.		WAIPAHU ELEMENTARY SCHOOL, OAHU			
		DESIGN FOR CAFETERIA AND KITCHEN RENOVATION, EXPANSION AND IMPROVEMENTS; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		DESIGN			275
		TOTAL FUNDING	EDN		275
					C
85.		WAIPAHU HIGH SCHOOL, OAHU			
		DESIGN AND CONSTRUCTION FOR PHASE ONE OF A NEW CLASSROOM BUILDING; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		DESIGN			1
		CONSTRUCTION			14,999
		TOTAL FUNDING	EDN		15,000
					C
86.		WAIPAHU INTERMEDIATE SCHOOL, OAHU			
		PLANS AND DESIGN FOR ADDITIONAL MULTI-PURPOSE PLAY COURTS; GROUND AND SITES IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		PLANS			60
		DESIGN			540
		TOTAL FUNDING	EDN		600
					C
87.		WILLIAM P. JARRETT MIDDLE SCHOOL, OAHU			
		PLANS AND DESIGN TO UPGRADE AND RENOVATE ALL CAMPUS FACILITIES; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		PLANS			20
		DESIGN			180
		TOTAL FUNDING	EDN		200
					C

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL YEAR 2017-2018	FISCAL YEAR 2018-2019
87.01.		AIEA HIGH SCHOOL, OAHU			
		DESIGN FOR A NEW BUILDING AND RENOVATION/EXPANSION FOR P.E. AND ATHLETIC FACILITIES; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		PLANS			1
		DESIGN			1,598
		CONSTRUCTION			1
		TOTAL FUNDING	EDN	C	1,600 C
87.02.		ALA WAI ELEMENTARY SCHOOL, OAHU			
		DESIGN AND CONSTRUCTION FOR A COVERED PLAYCOURT; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		DESIGN			400
		CONSTRUCTION			1,600
		TOTAL FUNDING	EDN	C	2,000 C
87.03.		ALIAMANU ELEMENTARY, OAHU			
		DESIGN AND CONSTRUCTION OF TRAFFIC FLOW AND PARKING LOT IMPROVEMENTS; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		DESIGN			400
		CONSTRUCTION			1,600
		TOTAL FUNDING	EDN	C	2,000 C
87.04.		ALIAMANU MIDDLE SCHOOL, OAHU			
		DESIGN AND CONSTRUCTION OF A ROOF AND COVERING FOR AN OPEN COURTYARD SURROUNDING THE E BUILDING ON ITS CAMPUS; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		DESIGN			500
		CONSTRUCTION			1,000
		TOTAL FUNDING	EDN	C	1,500 C
87.05.		AUGUST AHRENS ELEMENTARY SCHOOL, OAHU			
		DESIGN AND CONSTRUCTION FOR A COVERED WALKWAY AND SHELTER FOR THE LOWER DRIVEWAY ON WAIPAHA STREET; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		DESIGN			245
		CONSTRUCTION			980
		TOTAL FUNDING	EDN	C	1,225 C
87.06.		BALDWIN HIGH SCHOOL, MAUI			
		DESIGN AND CONSTRUCTION TO REROOF BUILDING C AND D; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
		DESIGN			640
		CONSTRUCTION			2,560
		TOTAL FUNDING	EDN	C	3,200C
87.07.		BENJAMIN PARKER ELEMENTARY SCHOOL, OAHU			
		DESIGN FOR AUWAI DRAINAGE IMPROVEMENTS TO PREVENT FLOODING; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		DESIGN			200
		TOTAL FUNDING	EDN	C	200C
87.08.		CAMPBELL HIGH SCHOOL, OAHU			
		DESIGN FOR A NEW ATHLETICS COMPLEX INCLUDING RESTROOMS, A GIRLS LOCKER ROOM, AND A NEW SYNTHETIC TRACK AND FIELD; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		DESIGN			1,000
		TOTAL FUNDING	EDN	C	1,000C
87.09.		CASTLE HIGH SCHOOL, OAHU			
		DESIGN AND CONSTRUCTION TO WIDEN THE FRONT ENTRANCE DRIVEWAY AND SECURITY UPGRADES; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		DESIGN			200
		CONSTRUCTION			450
		TOTAL FUNDING	EDN	C	650C
87.10.		CASTLE HIGH SCHOOL, OAHU			
		PLANS, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR THE INSTALLATION OF FOUR LARGE FANS IN GYMNASIUM FOR THE PURPOSE OF HEAT ABATEMENT; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		PLANS			1
		DESIGN			18
		CONSTRUCTION			150
		EQUIPMENT			1
		TOTAL FUNDING	EDN	C	170C
87.11.		CHIEFESS KAMAKAHELEI MIDDLE SCHOOL			
		CONSTRUCTION AND EQUIPMENT FOR RENOVATION OF CKMS LIBRARY TO TRANSFORM IT INTO A 21ST CENTURY MEDIA CENTER BY CREATING STUDENT COLLABORATIVE SPACES.			
		CONSTRUCTION			300
		EQUIPMENT			200
		TOTAL FUNDING	EDN	C	500C

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
87.12.		EAST KAPOLEI ELEMENTARY SCHOOL, OAHU			
		DESIGN OF A NEW EAST KAPOLEI ELEMENTARY SCHOOL; GROUND AND SITE IMPROVEMENTS.			
		DESIGN			1,000
		TOTAL FUNDING	EDN	C	1,000C
87.13.		EAST KAPOLEI MIDDLE SCHOOL, OAHU			
		CONSTRUCTION FOR PHASE TWO OF A NEW MIDDLE SCHOOL; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		CONSTRUCTION			13,000
		TOTAL FUNDING	EDN	C	13,000C
87.14.		HAAHEO ELEMENTARY SCHOOL, HAWAII			
		DESIGN FOR A MULTI PURPOSE BUILDING; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		DESIGN			2,400
		TOTAL FUNDING	EDN	C	2,400C
87.15.		HAIKU ELEMENTARY SCHOOL, MAUI			
		PLANS, LAND ACQUISITION, AND DESIGN FOR SCHOOL EXPANSION TO ADDRESS THE GROWING SCHOOL POPULATION; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		PLANS			100
		LAND			600
		DESIGN			100
		TOTAL FUNDING	EDN	C	800C
87.16.		HANA HIGH AND ELEMENTARY SCHOOL, MAUI			
		DESIGN AND CONSTRUCTION TO INSTALL FLAGPOLE.			
		DESIGN			1
		CONSTRUCTION			19
		TOTAL FUNDING	EDN	C	20C
87.17.		HAUULA ELEMENTARY SCHOOL, OAHU			
		DESIGN, CONSTRUCTION, AND EQUIPMENT TO INSTALL SUN SHADES FROM THE CAFETERIA TO THE MAIN OFFICE BUILDING; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		DESIGN			49
		CONSTRUCTION			100
		EQUIPMENT			1
		TOTAL FUNDING	EDN	C	150C

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
87.18.		HEEIA ELEMENTARY SCHOOL, OAHU			
		DESIGN, CONSTRUCTION, AND EQUIPMENT FOR A SECURITY GATE FOR BUILDING E; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		DESIGN			399
		CONSTRUCTION			800
		EQUIPMENT			1
		TOTAL FUNDING	EDN	C	1,200C
87.19.		HEEIA ELEMENTARY SCHOOL, OAHU			
		DESIGN, CONSTRUCTION, AND EQUIPMENT FOR SECURITY FENCING AROUND THE ENTIRE CAMPUS; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		DESIGN			199
		CONSTRUCTION			300
		EQUIPMENT			1
		TOTAL FUNDING	EDN	C	500C
87.20.		HELEMANO ELEMENTARY SCHOOL, OAHU			
		PLANS AND DESIGN FOR NEW ADMINISTRATION BUILDING AND LIBRARY.			
		PLANS			500
		DESIGN			1,000
		TOTAL FUNDING	EDN	C	1,500C
87.21.		HENRY J. KAISER HIGH SCHOOL, GATHERING PLACE, OAHU			
		DESIGN FOR A MULTIPURPOSE GATHERING PLACE; GROUND AND SITE IMPROVEMENTS.			
		DESIGN			404
		TOTAL FUNDING	EDN	C	404C
87.22.		IAO SCHOOL, MAUI			
		DESIGN, CONSTRUCTION AND EQUIPMENT FOR THE INSTALLATION, CONSTRUCTION, REFURBISHMENT, AND RENOVATIONS FOR SECURITY CAMERAS; GROUND AND SITE IMPROVEMENTS, EQUIPMENT AND APPURTENANCES.			
		DESIGN			1
		CONSTRUCTION			150
		EQUIPMENT			49
		TOTAL FUNDING	EDN	C	200C
87.23.		ILIMA INTERMEDIATE SCHOOL, OAHU			
		DESIGN AND CONSTRUCTION FOR CAMPUS IMPROVEMENTS INCLUDING NEW CLASSROOM BUILDING; GROUND AND SITE IMPROVEMENTS.			
		DESIGN			1,160
		CONSTRUCTION			4,640
		TOTAL FUNDING	EDN	C	5,800C

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
87.24.		KAHALA ELEMENTARY SCHOOL, OAHU			
		DESIGN AND CONSTRUCTION FOR CAMPUS DRAINAGE IMPROVEMENTS; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		DESIGN			24
		CONSTRUCTION			300
		EQUIPMENT			1
		TOTAL FUNDING	EDN	C	325 C
87.25.		KAHUKU HIGH AND INTERMEDIATE SCHOOL, OAHU			
		DESIGN, CONSTRUCTION, AND EQUIPMENT TO ADDRESS DRAINAGE PROBLEMS AT NEW TRACK AND FIELD SITE; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		DESIGN			249
		CONSTRUCTION			1,250
		EQUIPMENT			1
		TOTAL FUNDING	EDN	C	1,500 C
87.26.		KAILUA INTERMEDIATE SCHOOL, STREAM ACADEMY, OAHU			
		CONSTRUCTION AND EQUIPMENT FOR BUILDING F - STREAM ACADEMY; GROUND AND SITE IMPROVEMENTS.			
		CONSTRUCTION			349
		EQUIPMENT			1
		TOTAL FUNDING	EDN	C	350 C
87.27.		KAIMUKI HIGH SCHOOL, OAHU			
		DESIGN AND CONSTRUCTION FOR RESURFACING THE CAFETERIA PARKING LOT; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		DESIGN			200
		CONSTRUCTION			800
		TOTAL FUNDING	EDN	C	1,000 C
87.28.		KALAKAUA MIDDLE SCHOOL, OAHU			
		DESIGN AND CONSTRUCTION TO REPAIR INOPERABLE FIRE ALARM SYSTEM; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES			
		DESIGN			250
		CONSTRUCTION			500
		TOTAL FUNDING	EDN	C	750 C
87.29.		KALAMA INTERMEDIATE SCHOOL, MAUI			
		DESIGN, CONSTRUCTION AND EQUIPMENT FOR OUTDOOR COVERED PLAY COURT; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		DESIGN			299
		CONSTRUCTION			3,800
		EQUIPMENT			1
		TOTAL FUNDING	EDN	C	4,100 C

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CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
87.30.		KALANI HIGH SCHOOL, OAHU			
		PLANS AND DESIGN FOR TRACK AND FIELD IMPROVEMENTS; GROUND AND SITE IMPROVEMENTS.			
		PLANS			50
		DESIGN			500
		TOTAL FUNDING EDN		C	550C
87.31.		KALANIANAOLE ELEMENTARY AND INTERMEDIATE SCHOOL, HAWAII			
		PLANS, DESIGN, AND CONSTRUCTION FOR A COVERED PLAY COURT; GROUND AND SITE IMPROVEMENTS.			
		PLANS			1
		DESIGN			299
		CONSTRUCTION			1,700
		TOTAL FUNDING EDN		C	2,000C
87.32.		KALEIOPUU ELEMENTARY SCHOOL, OAHU			
		DESIGN FOR THE RENOVATION AND EXPANSION OF THE CAFETERIA; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		DESIGN			650
		TOTAL FUNDING EDN		C	650C
87.33.		KALIHI ELEMENTARY SCHOOL, OAHU			
		DESIGN AND CONSTRUCTION TO REPAIR AND/OR REPLACE BASKETBALL POLES AND RESURFACE VOLLEYBALL/ BASKETBALL COURT.			
		DESIGN			50
		CONSTRUCTION			250
		TOTAL FUNDING EDN		C	300C
87.34.		KALIHI UKA ELEMENTARY SCHOOL, OAHU			
		DESIGN AND CONSTRUCTION FOR CAMPUS IMPROVEMENTS INCLUDING ADA; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		DESIGN			500
		CONSTRUCTION			2,500
		TOTAL FUNDING EDN		C	3,000C
87.35.		KALIHI WAENA ELEMENTARY SCHOOL, OAHU			
		PLANS, DESIGN, CONSTRUCTION, AND EQUIPMENT TO BUILD A UTILITY CENTER WHERE CURRENT COURTS ARE. BUILDING SHOULD HAVE BASKETBALL COURT AND BATHROOMS ON LOWER FLOOR, ALONG WITH EQUIPMENT FOR MEETINGS. UPPER FLOOR SHOULD HAVE CLASSROOM, CARDIO ROOM, AND EQUIPMENT ROOM. A COVERED WALKWAY FROM EXISTING SCHOOL STRUCTURES IS NEEDED.			
		PLANS			1

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL YEAR 2017-2018	FISCAL YEAR 2018-2019
		LAND			1
		DESIGN			57
		CONSTRUCTION			700
		EQUIPMENT			1
		TOTAL FUNDING	EDN	C	760C
87.36.		KANOELANI ELEMENTARY SCHOOL, OAHU			
		DESIGN TO INCREASE THE CAFETERIA CAPACITY; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		DESIGN			300
		TOTAL FUNDING	EDN	C	300C
87.37.		KAPAA ELEMENTARY SCHOOL, KAUAI			
		DESIGN FOR A NEW LIBRARY; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		DESIGN			2,500
		TOTAL FUNDING	EDN	C	2,500C
87.38.		KAPAA HIGH SCHOOL, KAUAI			
		KAPAA HIGH SCHOOL AGRICULTURAL LEARNING CENTER.			
		PLANS			1
		LAND			1
		DESIGN			47
		CONSTRUCTION			450
		EQUIPMENT			1
		TOTAL FUNDING	EDN	C	500C
87.39.		KAPIOLANI ELEMENTARY SCHOOL, HAWAII			
		CONSTRUCTION FOR A COVERED PLAY COURT; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		CONSTRUCTION			3,700
		TOTAL FUNDING	EDN	C	3,700C
87.40.		KEAAU MIDDLE SCHOOL, HAWAII			
		PLANS, DESIGN, CONSTRUCTION, AND EQUIPMENT TO RESURFACE THE PARKING LOT AREA; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		PLANS			1
		DESIGN			198
		CONSTRUCTION			800
		EQUIPMENT			1
		TOTAL FUNDING	EDN	C	1,000C

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL YEAR 2017-2018	FISCAL YEAR 2018-2019
87.41.		KEAUKAHA ELEMENTARY SCHOOL, HAWAII			
		DESIGN AND CONSTRUCTION FOR A COVERED WALKWAY FROM THE CAFETERIA TO THE PARKING LOT; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		DESIGN			200
		CONSTRUCTION			800
		TOTAL FUNDING EDN		C	1,000C
87.42.		KIHEI HIGH SCHOOL, MAUI			
		CONSTRUCTION FOR A NEW SCHOOL; GROUND AND SITE IMPROVEMENTS.			
		CONSTRUCTION			40,000
		TOTAL FUNDING EDN		C	40,000C
87.43.		KONAWAENA HIGH SCHOOL, HAWAII			
		DESIGN AND CONSTRUCTION TO RENOVATE RESTROOMS; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		DESIGN			400
		CONSTRUCTION			1,600
		TOTAL FUNDING EDN		C	2,000C
87.44.		KUHIO ELEMENTARY SCHOOL, OAHU			
		DESIGN AND CONSTRUCTION TO ADDRESS EROSION AND SAFETY ISSUES ALONG KAHOALOHA STREET; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		DESIGN			200
		CONSTRUCTION			600
		TOTAL FUNDING EDN		C	800C
87.45.		KUHIO ELEMENTARY SCHOOL, OAHU			
		DESIGN OF BUILDING B AIR CONDITIONING; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		DESIGN			150
		TOTAL FUNDING EDN		C	150C
87.46.		LEILEHUA HIGH SCHOOL, OAHU			
		CONSTRUCTION TO RENOVATE TWO RELOCATED PORTABLES FOR THE INTENSIVE LEARNING CENTER; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		CONSTRUCTION			1,500
		TOTAL FUNDING EDN		C	1,500C

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL YEAR 2017-2018	FISCAL YEAR 2018-2019
87.47.		LOKELANI INTERMEDIATE SCHOOL, MAUI			
		DESIGN OF A LIBRARY AND ADMINISTRATION BUILDING; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		DESIGN			1,200
		TOTAL FUNDING EDN		C	1,200 C
87.48.		LUMP SUM CIP - EQUIPMENT, STATEWIDE			
		EQUIPMENT FOR FURNISHING NEWLY CONSTRUCTED CIP PROJECTS ON VARIOUS SCHOOL CAMPUSES.			
		EQUIPMENT			3,000
		TOTAL FUNDING EDN		C	3,000 C
87.49.		LUMP SUM CIP - PROGRAM SUPPORT, STATEWIDE			
		PLANS, LAND ACQUISITION, DESIGN, AND CONSTRUCTION FOR PROGRAM SUPPORT INCLUDING GENDER EQUITY FOR ATHLETIC FACILITIES, NEW FACILITIES, TEMPORARY FACILITIES, AND IMPROVEMENTS AND/OR ADDITIONS TO EXISTING FACILITIES; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		PLANS			1
		LAND			1
		DESIGN			1
		CONSTRUCTION			9,996
		EQUIPMENT			1
		TOTAL FUNDING EDN		C	10,000 C
87.50.		LUMP SUM CIP - PROJECT COMPLETION, STATEWIDE			
		PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR PROJECT COMPLETION INCLUDING CONSTRUCTION MANAGEMENT COSTS, PURCHASE ORDERS, UTILITIES CHARGES, CHANGE ORDERS, AND ALL OTHER COSTS ASSOCIATED WITH THE COMPLETION OF A PROJECT.			
		PLANS			999
		LAND			1,000
		DESIGN			1,000
		CONSTRUCTION			17,000
		EQUIPMENT			1
		TOTAL FUNDING EDN		C	20,000 C
87.51.		LUNALILO ELEMENTARY SCHOOL, OAHU			
		PLANS, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR A NEW BELL AND EMERGENCY WARNING SYSTEM AND REPLACEMENT OF OUTSIDE HORNS; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		PLANS			1

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
		DESIGN			48
		CONSTRUCTION			150
		EQUIPMENT			1
		TOTAL FUNDING	EDN	C	200C
87.52.		LUNALILO ELEMENTARY SCHOOL, OAHU			
		PLANS, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR CHILLED WATER FOUNTAINS WITH BOTTLE FILLERS; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		PLANS			1
		DESIGN			98
		CONSTRUCTION			300
		EQUIPMENT			1
		TOTAL FUNDING	EDN	C	400C
87.53.		MAKAHA ELEMENTARY SCHOOL, OAHU			
		DESIGN AND CONSTRUCTION FOR CAMPUS GROUND STABILIZATION; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		DESIGN			190
		CONSTRUCTION			300
		TOTAL FUNDING	EDN	C	490C
87.54.		MAKAWAO ELEMENTARY SCHOOL, MAUI			
		DESIGN AND CONSTRUCTION OF A PLAY COURT; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		DESIGN			200
		CONSTRUCTION			400
		TOTAL FUNDING	EDN	C	600C
87.55.		MANANA ELEMENTARY SCHOOL, OAHU			
		DESIGN AND CONSTRUCTION TO EXTEND THE FIRE LANE; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		DESIGN			200
		CONSTRUCTION			2,000
		TOTAL FUNDING	EDN	C	2,200C
87.56.		MAUI HIGH SCHOOL, MAUI			
		CONSTRUCTION FOR WEIGHT TRAINING/ WRESTLING FACILITIES; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		CONSTRUCTION			2,800
		TOTAL FUNDING	EDN	C	2,800C

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
87.57.		MAUI HIGH SCHOOL, MAUI DESIGN AND CONSTRUCTION OF A NEW STEM BUILDING; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		DESIGN			3,000
		CONSTRUCTION			9,000
		TOTAL FUNDING	EDN	C	12,000 C
87.58.		MCKINLEY HIGH SCHOOL, OAHU DESIGN, CONSTRUCTION, AND EQUIPMENT TO UPGRADE THE BELL SYSTEMS; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		DESIGN			99
		CONSTRUCTION			300
		EQUIPMENT			1
		TOTAL FUNDING	EDN	C	400 C
87.59.		MILILANI HIGH SCHOOL, OAHU DESIGN, CONSTRUCTION, AND EQUIPMENT FOR ATHLETIC ROOMS AND FACILITIES FOR FEMALE ATHLETES.			
		DESIGN			1,000
		CONSTRUCTION			3,500
		EQUIPMENT			500
		TOTAL FUNDING	EDN	C	5,000 C
87.60.		MILILANI IKE ELEMENTARY SCHOOL, OAHU DESIGN, CONSTRUCTION, AND EQUIPMENT TO INSTALL A NEW BELL AND PA SYSTEM INCLUDING EXTERNAL SPEAKERS FOR THE OVAL AREA; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		DESIGN			24
		CONSTRUCTION			300
		EQUIPMENT			1
		TOTAL FUNDING	EDN	C	325 C
87.61.		MILILANI MAUKA ELEMENTARY SCHOOL, OAHU DESIGN AND CONSTRUCTION FOR A COVERED PLAYCOURT; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		DESIGN			400
		CONSTRUCTION			2,800
		TOTAL FUNDING	EDN	C	3,200 C
87.62.		MILILANI UKA ELEMENTARY SCHOOL, OAHU PLANS AND DESIGN FOR A PORTABLE RESTROOM FOR GRADE ONE STUDENTS; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		PLANS			500
		DESIGN			1,000
		TOTAL FUNDING	EDN	C	1,500 C

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL YEAR 2017-2018	FISCAL YEAR 2018-2019
87.63.		MOKAPU ELEMENTARY SCHOOL, OAHU			
		DESIGN FOR CAMPUS IMPROVEMENTS INCLUDING REPLACEMENT FACILITIES; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES. THIS PROJECT IS DEEMED NECESSARY TO QUALIFY FOR FEDERAL AID FINANCING AND/OR REIMBURSEMENT.			
		DESIGN			6,000
		TOTAL FUNDING	EDN	C	1,200 C
			EDN	N	4,800 N
87.64.		MOMILANI ELEMENTARY SCHOOL, OAHU			
		DESIGN AND CONSTRUCTION TO EXTEND THE CONCRETE SIDEWALKS SURROUNDING THE CAFETERIA; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		DESIGN			50
		CONSTRUCTION			500
		TOTAL FUNDING	EDN	C	550 C
87.65.		NAALEHU ELEMENTARY SCHOOL, HAWAII			
		DESIGN AND CONSTRUCTION TO REPAVE SECTIONS OF THE CAMPUS; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		DESIGN			175
		CONSTRUCTION			400
		TOTAL FUNDING	EDN	C	575 C
87.66.		NIU VALLEY MIDDLE SCHOOL, OAHU			
		CONSTRUCTION AND EQUIPMENT FOR WORLD LANGUAGES CLASSROOM BUILDING; GROUND AND SITE IMPROVEMENTS.			
		CONSTRUCTION			3,499
		EQUIPMENT			1
		TOTAL FUNDING	EDN	C	3,500 C
87.67.		MOUNTAIN VIEW ELEMENTARY SCHOOL, HAWAII			
		PLANS, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR DRAINAGE IMPROVEMENTS FOR BUILDINGS C, G, AND UPPER PORTABLE UNITS FOR THE SCHOOL; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		PLANS			1
		DESIGN			58
		CONSTRUCTION			700
		EQUIPMENT			1
		TOTAL FUNDING	EDN	C	760 C

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
87.68.		PAHOA HIGH AND INTERMEDIATE SCHOOL, HAWAII			
		PLANS, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR A NEW COVERED WALKWAY FROM THE CAFETERIA TO THE UPPER PORTABLES; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		PLANS			1
		DESIGN			198
		CONSTRUCTION			800
		EQUIPMENT			1
		TOTAL FUNDING	EDN	C	1,000 C
87.69.		PAIA ELEMENTARY SCHOOL, MAUI			
		DESIGN FOR A NEW CLASSROOM BUILDING; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		DESIGN			2,000
		TOTAL FUNDING	EDN	C	2,000 C
87.70.		PEARL CITY HIGH SCHOOL BASEBALL COMPLEX, OAHU			
		PLANS , DESIGN, AND CONSTRUCTION FOR A BASEBALL COMPLEX IN PEARL CITY.			
		PLANS			1
		DESIGN			499
		CONSTRUCTION			2,500
		TOTAL FUNDING	EDN	C	3,000 C
87.71.		PEARL CITY HIGH SCHOOL, OAHU			
		DESIGN AND CONSTRUCTION TO RENOVATE EXISTING CLASSROOMS AND OTHER SUPPORT FACILITIES; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		DESIGN			500
		CONSTRUCTION			2,800
		TOTAL FUNDING	EDN	C	3,300 C
87.72.		PUKALANI ELEMENTARY SCHOOL, MAUI			
		DESIGN AND CONSTRUCTION AND ADA RAMP FOR THE COVERED WALKWAY; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		DESIGN			200
		CONSTRUCTION			800
		TOTAL FUNDING	EDN	C	1,000 C
87.73.		RADFORD HIGH SCHOOL, OAHU			
		DESIGN FOR AN IRRIGATION SYSTEM AND REGRADING OF PRACTICE FIELDS; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		DESIGN			410
		TOTAL FUNDING	EDN	C	410 C

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
87.74.		ROOSEVELT HIGH SCHOOL MUSIC BUILDING, OAHU			
		PLANS FOR A NEW MUSIC FACILITIES AND SUPPORT SPACES; GROUND AND SITE IMPROVEMENTS.			
		PLANS			250
		TOTAL FUNDING	EDN	C	250C
87.75.		SALT LAKE ELEMENTARY SCHOOL, OAHU			
		DESIGN AND CONSTRUCTION OF INTERIOR WALLS IN BUILDING E-3 TO FORM 4 INDIVIDUAL CLASSROOMS INCLUDING CENTRAL AIR CONDITIONING, ELECTRICAL UPGRADES, CLASSROOM EQUIPMENT, AND VIDEO AND DATA CONNECTIVITY; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES			
		DESIGN			700
		CONSTRUCTION			3,000
		TOTAL FUNDING	EDN	C	3,700C
87.76.		WAIANAE HIGH SCHOOL, OAHU			
		DESIGN TO INSTALL A RUBBERIZED ALL-WEATHER TRACK AND FIELD; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		DESIGN			750
		TOTAL FUNDING	EDN	C	750C
87.77.		WAIMEA CANYON MIDDLE SCHOOL, KAUAI			
		DESIGN AND CONSTRUCTION FOR BUILDING R, AIR CONDITIONING AND PHOTOVOLTAIC PANELS/BATTERY STORAGE WALL FOR MAKERSPACE PROJECT; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		DESIGN			10
		CONSTRUCTION			100
		TOTAL FUNDING	EDN	C	110C
87.78.		WAIMEA ELEMENTARY AND MIDDLE SCHOOL, HAWAII			
		DESIGN AND CONSTRUCTION FOR PARKING LOT AND DROP-OFF AREA IMPROVEMENTS; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		DESIGN			500
		CONSTRUCTION			1,000
		TOTAL FUNDING	EDN	C	1,500C
87.79.		WAIMEA ELEMENTARY SCHOOL, HAWAII			
		LAND ACQUISITION OF PARKING LOT ADJACENT TO WAIMEA ELEMENTARY.			
		LAND			1,600
		TOTAL FUNDING	EDN	C	1,600C

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
87.80.		WAIMEA HIGH SCHOOL LIBRARY RENOVATION, TECHNOLOGY, MULTI-MEDIA AND MULTI-PURPOSE LIBRARY FACILITY UPGRADE, KAUAI			
		CONSTRUCTION AND EQUIPMENT WAIMEA HIGH SCHOOL LIBRARY RENOVATION, TECHNOLOGY, MULTI-MEDIA AND MULTI-PURPOSE LIBRARY FACILITY UPGRADE.			
		CONSTRUCTION			499
		EQUIPMENT			1
		TOTAL FUNDING	EDN	C	500C
87.81.		WAIMEA HIGH SCHOOL, NEW GYMNASIUM AND SPORTS FACILITIES PLANS, DESIGN AND IMPROVEMENTS.			
		PLANS AND DESIGN FOR A NEW GYMNASIUM AND SPORTS FACILITIES IMPROVEMENTS			
		PLANS			500
		DESIGN			1,500
		TOTAL FUNDING	EDN	C	2,000C
87.82.		WAIPAHAU HIGH SCHOOL, OAHU			
		PLANS, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR A NEW CLASSROOM BUILDING; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		PLANS			1
		DESIGN			2,998
		CONSTRUCTION			17,500
		EQUIPMENT			1
		TOTAL FUNDING	EDN	C	20,500C
87.83.		WILCOX ELEMENTARY SCHOOL, KAUAI			
		DESIGN FOR A COVERED DROP OFF AREA AND PARKING AREA IMPROVEMENTS; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		DESIGN			250
		TOTAL FUNDING	EDN	C	250C
87.84.		WILLIAM P. JARRETT MIDDLE SCHOOL, OAHU			
		DESIGN AND CONSTRUCTION TO INSTALL WALKWAY TO JOIN BUILDINGS D AND G AT JARRETT MIDDLE SCHOOL.			
		DESIGN			100
		CONSTRUCTION			200
		TOTAL FUNDING	EDN	C	300C
87.85.		WAIAPU ELEMENTARY SCHOOL, OAHU			
		DESIGN FOR A RETAINING WALL TO PREVENT RUNOFF ONTO SIDEWALKS; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES			
		DESIGN			2,200
		TOTAL FUNDING	EDN	C	2,200C

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL YEAR 2017-2018	FISCAL YEAR 2018-2019
EDN400 - SCHOOL SUPPORT					
88.		LUMP SUM CIP - PROJECT POSITIONS, STATEWIDE			
		PLANS FOR COSTS RELATED TO WAGES AND FRINGE BENEFITS FOR PERMANENT, PROJECT FUNDED STAFF POSITIONS FOR THE IMPLEMENTATION OF CAPITAL IMPROVEMENT PROGRAM PROJECTS FOR THE DEPARTMENT OF EDUCATION. PROJECT MAY ALSO INCLUDE FUNDS FOR NON-PERMANENT CAPITAL IMPROVEMENTS PROGRAM RELATED POSITIONS.			
		PLANS		4,349	
		TOTAL FUNDING	EDN	4,349	A
EDN600 - CHARTER SCHOOLS					
89.		HALAU KU MANA PUBLIC CHARTER SCHOOL, OAHU			
		PLANS, DESIGN, CONSTRUCTION, AND EQUIPMENT TO INSTALL A PERMANENT WASTEWATER SYSTEM, AN ADDITIONAL FIRE HYDRANT, AND UTILITY AND INFRASTRUCTURE UPGRADES INCLUDING ELECTRICAL SERVICES, OUTDOOR SITE LIGHTING, AND WATER DISTRIBUTION; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		PLANS		1	
		DESIGN		53	
		CONSTRUCTION		495	
		EQUIPMENT		1	
		TOTAL FUNDING	EDN	550	C
89.01.		KAOHAO SCHOOL, OAHUKAOHAO SCHOOL, OAHU			
		DESIGN AND CONSTRUCTION FOR A NEW MULTIPURPOSE CAFETORIUM; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		DESIGN			500
		CONSTRUCTION			1,000
		TOTAL FUNDING	EDN	C	1,500
EDN407 - PUBLIC LIBRARIES					
90.		HAWAII STATE LIBRARY, OAHU			
		DESIGN AND CONSTRUCTION TO REPLACE ROOF DRAIN LINER ON STATE LIBRARY; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		DESIGN		60	
		CONSTRUCTION		105	
		TOTAL FUNDING	AGS	165	C

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL YEAR 2017-2018	FISCAL YEAR 2018-2019
91.		HEALTH AND SAFETY, STATEWIDE PLANS, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR HEALTH, SAFETY, ACCESSIBILITY, AND OTHER CODE REQUIREMENTS. PROJECTS MAY INCLUDE, BUT NOT LIMITED TO, THE REMOVAL OF HAZARDOUS MATERIALS, RENOVATIONS FOR LIBRARY PATRONS AND EMPLOYEES, ENVIRONMENTAL CONTROLS, FIRE PROTECTION, IMPROVEMENTS TO BUILDINGS AND GROUNDS, AND OTHERS; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		PLANS		1,000	1
		DESIGN		2,500	998
		CONSTRUCTION		2,999	2,500
		EQUIPMENT		1	1
		TOTAL FUNDING	AGS	6,500 C	3,500 C
92.		LILIHA LIBRARY, OAHU PLANS, DESIGN, AND CONSTRUCTION FOR LIBRARY UPGRADES; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		PLANS		1	
		DESIGN		498	
		CONSTRUCTION		1	
		TOTAL FUNDING	AGS	500 C	C
92.01.		KAHULUI LIBRARY, MAUI PLANS, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR THE REPAIR, RENOVATION, REFURBISHMENT, INSTALLATION, AND DEVELOPMENT OF ROOF AND CEILING; PROJECT TO INCLUDE LIGHTING UPGRADE; EQUIPMENT AND APPURTENANCES.			
		PLANS			1
		DESIGN			198
		CONSTRUCTION			500
		EQUIPMENT			1
		TOTAL FUNDING	AGS	C	700 C
92.02.		KEAAU AND MOUNTAIN VIEW PUBLIC LIBRARY, HAWAII PLANS FOR A NEW LIBRARY IN KEAAU AND MOUNTAIN VIEW HAWAII.			
		PLANS			300
		TOTAL FUNDING	AGS	C	300 C
92.03.		MAKIKI PUBLIC LIBRARY, OAHU PLANS AND DESIGN FOR PHASE I RENOVATION OF THE EXISTING BUILDING FOR A NEW PUBLIC LIBRARY; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		PLANS			500
		DESIGN			3,000
		TOTAL FUNDING	EDN	C	3,500 C

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
92.04.		WAHIAWA LIBRARY, OAHU			
		PLANS, DESIGN, CONSTRUCTION, AND EQUIPMENT TO REPLACE WINDOWS WITH AWNING TINT, AIR CONDITIONING, REPLACE 8 AIR HANDING UNITS, AND REPLACE CHILLER, ELECTRICAL UPGRADE, REPLACE ROOF, AND FIRE ALARM UPDATE.			
		PLANS			1
		DESIGN			298
		CONSTRUCTION			1,500
		EQUIPMENT			1
		TOTAL FUNDING	EDN	C	1,800C
92.05.		WAIKOLOA LIBRARY, HAWAII			
		LAND ACQUISITION FOR A PUBLIC LIBRARY IN WAIKOLOA; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		LAND			1,900
		TOTAL FUNDING	EDN	C	1,900C
DEF114 - HAWAII NATIONAL GUARD YOUTH CHALLENGE ACADEMY					
93.		YOUTH CHALLENGE ACADEMY B1786 AND B1787 RAILING REPLACEMENT AND OTHER IMPROVEMENTS, KALAELOA, OAHU			
		DESIGN AND CONSTRUCTION FOR THE REPLACEMENT OF BALCONY AND STAIRWAY GUARDRAILS AT THE YOUTH CHALLENGE ACADEMY (YCA) BUILDING 1786 AND 1787, PERFORMANCE OF A BUILDING ASSESSMENT, AND OTHER IMPROVEMENTS.			
		DESIGN			220
		CONSTRUCTION			580
		TOTAL FUNDING	DEF		800C
					C
UOH100 - UNIVERSITY OF HAWAII, MANOA					
94.		LYON ARBORETUM, OAHU			
		CONSTRUCTION FOR REPAIR AND/OR REPAVING OF PARKING LOT AND ROAD AT LYON ARBORETUM.			
		CONSTRUCTION			600
		TOTAL FUNDING	UOH		600C
					C

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL YEAR 2017-2018	FISCAL YEAR 2018-2019
94.01.		RENOVATE SINCLAIR LIBRARY			
		DESIGN FOR IMPROVEMENTS TO THE SINCLAIR LIBRARY ON THE MANOA CAMPUS. PROJECT TO INCLUDE RENEWAL, IMPROVEMENTS AND MODERNIZATION OF INTERIOR AND EXTERIOR STRUCTURES, ROOFS, MECHANICAL AND ELECTRICAL SYSTEMS, PEDESTRIAN PATHWAYS AND GROUNDS, AND OTHER PROJECT COSTS TO UPGRADE THIS FACILITY.			
		DESIGN			700
		TOTAL FUNDING	UOH	C	700C
UOH210 - UNIVERSITY OF HAWAII, HILO					
95.		UNIVERSITY OF HAWAII AT HILO, HALE ALAHONUA AIR CONDITIONING IMPROVEMENTS, HAWAII			
		PLANS, DESIGN, CONSTRUCTION, EQUIPMENT AND RELATED PROJECT COSTS FOR UNIVERSITY OF HAWAII AT HILO HALE ALAHONUA ENERGY EFFICIENT AIR CONDITIONING IMPROVEMENTS.			
		PLANS		1	
		DESIGN		598	
		CONSTRUCTION		2,400	
		EQUIPMENT		1	
		TOTAL FUNDING	UOH	3,000C	C
95.01.		UNIVERSITY OF HAWAII AT HILO, HAWAII			
		PLANS AND DESIGN FOR PHASE II AND PHASE III OF THE HALEOLELO COMPLEX FOR KA HAKA ULA O KEELIKOOLANI COLLEGE OF HAWAIIAN LANGUAGE.			
		PLANS			100
		DESIGN			400
		TOTAL FUNDING	UOH	C	500C
95.02.		UNIVERSITY OF HAWAII AT HILO, HALE ALAHONUA AIR CONDITIONING IMPROVEMENTS, HAWAII			
		PLANS, DESIGN, CONSTRUCTION, EQUIPMENT AND RELATED PROJECT COSTS FOR UNIVERSITY OF HAWAII AT HILO HALE ALAHONUA ENERGY EFFICIENT AIR CONDITIONING IMPROVEMENTS.			
		PLANS			1
		LAND			1
		DESIGN			497
		CONSTRUCTION			2,500
		EQUIPMENT			1
		TOTAL FUNDING	UOH	C	3,000C

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL YEAR 2017-2018	FISCAL YEAR 2018-2019
UOH700 - UNIVERSITY OF HAWAII, WEST OAHU					
96.		UNIVERSITY OF HAWAII WEST OAHU, CAMPUS-WIDE, OAHU			
		PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, EQUIPMENT AND OTHER RELATED PROJECT COSTS FOR RENOVATION OF THE MAINTENANCE BUILDING.			
		PLANS		1	
		LAND		1	
		DESIGN		497	
		CONSTRUCTION		2,000	
		EQUIPMENT		1	
		TOTAL FUNDING UOH		2,500C	C
97.		UNIVERSITY OF HAWAII WEST OAHU, LIBRARY, OAHU			
		PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, EQUIPMENT AND OTHER RELATED PROJECT COSTS TO REPAIR AND RENOVATE THE LIBRARY.			
		PLANS		1	
		LAND		1	
		DESIGN		7	
		CONSTRUCTION		40	
		EQUIPMENT		1	
		TOTAL FUNDING UOH		50C	C
97.01.		UNIVERSITY OF HAWAII WEST OAHU, CAMPUS CENTER EXTENSION, OAHU			
		\$2,200,000 FOR PLAN AND DESIGN OF CAMPUS CENTER EXTENSION AND \$2,800,000 FOR BOOKSTORE RENOVATIONS.			
		PLANS			200
		DESIGN			2,000
		CONSTRUCTION			2,800
		TOTAL FUNDING UOH		C	5,000C

UOH800 - UNIVERSITY OF HAWAII, COMMUNITY COLLEGES

98. CCS, CAPITAL RENEWAL AND DEFERRED MAINTENANCE, STATEWIDE
- PLANS, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR IMPROVEMENTS TO UNIVERSITY OF HAWAII COMMUNITY COLLEGES SYSTEM FACILITIES. PROJECT TO INCLUDE CAPITAL RENEWAL, REDUCTION OF MAINTENANCE BACKLOG, MAJOR AND MINOR RENOVATIONS, MODERNIZATION OF FACILITIES, RE-ROOFING, MECHANICAL AND ELECTRICAL SYSTEMS, RESURFACING, REPAINTING, INFRASTRUCTURE, DEMOLITION OF EXISTING FACILITIES, AND OTHER REPAIRS AND PROJECT COSTS TO UPGRADE FACILITIES AT COMMUNITY COLLEGES SYSTEM CAMPUSES.

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
		PLANS		1	1
		DESIGN		1,405	1,405
		CONSTRUCTION		8,593	8,593
		EQUIPMENT		1	1
		TOTAL FUNDING	UOH	10,000 C	10,000 C
99.		CCS, MINOR CIP FOR THE COMMUNITY COLLEGES, STATEWIDE			
		PLANS, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR MINOR CAPITAL IMPROVEMENTS PROGRAM PROJECTS FOR CAMPUS FACILITIES WITHIN THE UNIVERSITY OF HAWAII, COMMUNITY COLLEGES SYSTEM. PROJECT MAY INCLUDE RENOVATIONS FOR THE MODERNIZATION OF FACILITIES, ADDITIONS, DEMOLITION OF EXISTING FACILITIES, AND OTHER IMPROVEMENTS AND PROJECT COSTS TO UPGRADE AND IMPROVE FACILITIES OF THE COMMUNITY COLLEGES SYSTEM.			
		PLANS		1	1
		DESIGN		1,405	1,405
		CONSTRUCTION		8,593	8,593
		EQUIPMENT		1	1
		TOTAL FUNDING	UOH	10,000 C	10,000 C
100.		COMMUNITY COLLEGE SYSTEMS, PRODUCT DEVELOPMENT CENTER, OAHU			
		PLANS, DESIGN, CONSTRUCTION, EQUIPMENT AND OTHER RELATED PROJECT COSTS TO RENOVATE A FACILITY FOR A FARM TO TABLE VALUE ADDED PRODUCT DEVELOPMENT CENTER TO INCLUDE PROCESSING, PACKAGING, AND MARKETING FARM COMMODITIES AND FARM RESOURCES AT TAX MAP KEYS: 7-1-02-09; 7-1-02-04; AND 7-4-12-16; EQUIPMENT AND APPURTENANCES.			
		PLANS		1	
		DESIGN		798	
		CONSTRUCTION		8,200	
		EQUIPMENT		1	
		TOTAL FUNDING	UOH	9,000 C	C
101.		HONOLULU COMMUNITY COLLEGE, OAHU			
		PLANS, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR REROOFING OF FACILITY 8843 AUTOMOTIVE TECHNOLOGY & DIESEL MECHANICS; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		PLANS		1	
		DESIGN		88	
		CONSTRUCTION		360	
		EQUIPMENT		1	
		TOTAL FUNDING	UOH	450 C	C

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL YEAR 2017-2018	FISCAL YEAR 2018-2019
102.		HAWAII COMMUNITY COLLEGE, PALAMANUI, HAWAII			
		PLANS, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR GROUND WORK AND SITE IMPROVEMENTS FOR TRADES AND APPRENTICESHIP PROGRAM; RENOVATION AND EQUIPMENT TO CONVERT EXISTING CLASSROOM TO PHYSICS LAB; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		PLANS		1	
		DESIGN		138	
		CONSTRUCTION		560	
		EQUIPMENT		1	
		TOTAL FUNDING	UOH	700	C
103.		CCS, MULTI-AGENCY FACILITY, OAHU			
		PLANS AND DESIGN FOR THE DEVELOPMENT OF A NEW MULTI-AGENCY FACILITY IN WAHIAWA AT THE SITE OF THE CURRENT WAHIAWA PUBLIC LIBRARY. PROJECT TO INCLUDE ALL ENTITLEMENT COSTS, PLANNING, DESIGN, DEMOLITION OF EXISTING FACILITIES. NEW FACILITY WITH ASSOCIATED PARKING, GROUND AND SITE IMPROVEMENTS, INFRASTRUCTURE, AND ALL RELATED PROJECT COSTS. PROJECT TO INCLUDE SPACES FOR STATE DEPARTMENT OF EDUCATION AND LIBRARIES, AND THE UNIVERSITY OF HAWAII COMMUNITY COLLEGES.			
		PLANS			1,000
		DESIGN			2,000
		TOTAL FUNDING	UOH		3,000
					C
104.		KAPIOLANI COMMUNITY COLLEGE, OAHU			
		PLANS, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR UHCC, KCC, CULINARY INSTITUTE OF THE PACIFIC, PHASE II; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		PLANS		2	2
		DESIGN		2,996	2,996
		CONSTRUCTION		12,000	12,000
		EQUIPMENT		2	2
		TOTAL FUNDING	UOH	10,000	10,000
			UOH	5,000	5,000
105.		KAUAI COMMUNITY COLLEGE, KAUAI			
		PLANS, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR 4465 CAMPUS CENTER - EXHAUST FAN DUCT REPLACEMENT; REPLACEMENT AND IMPROVEMENTS TO CAFETERIA KITCHEN; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		PLANS		1	

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
		DESIGN		102	
		CONSTRUCTION		416	
		EQUIPMENT		1	
		TOTAL FUNDING	UOH	520C	C
106.		KAUAI COMMUNITY COLLEGE, KAUAI			
		PLANS, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR 4463 DANIEL K. INOUE TECHNOLOGY CENTER IMPROVEMENTS AND REPLACEMENTS OF HVAC SYSTEM, LIGHTING, AND RELATED ELECTRICAL WIRING, AND CEILING TILES; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		PLANS		1	
		DESIGN		330	
		CONSTRUCTION		1,328	
		EQUIPMENT		1	
		TOTAL FUNDING	UOH	1,660C	C
107.		LEEWARD COMMUNITY COLLEGE, OAHU			
		PLANS, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR RENOVATION, REPLACEMENT, AND IMPROVEMENT FOR 7886 BE AND THEATER BUILDINGS REROOF PHASE II-B; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		PLANS		1	
		DESIGN		48	
		CONSTRUCTION		200	
		EQUIPMENT		1	
		TOTAL FUNDING	UOH	250C	C
108.		WINDWARD COMMUNITY COLLEGE, OAHU			
		PLANS, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR RENOVATIONS, IMPROVEMENTS, AND REPLACEMENTS FOR 5991 HALE PALANAKILA & 5988 HALE 'IMILOA; EXTERIOR REPAIRS AND REPAINT; REPAIR AND/OR REDESIGN GUTTERS AND DOWNSPOUTS; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		PLANS		1	
		DESIGN		38	
		CONSTRUCTION		160	
		EQUIPMENT		1	
		TOTAL FUNDING	UOH	200C	C
109.		MAUI COLLEGE, MAUI			
		PLANS, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR RENOVATIONS, REPLACEMENTS, AND IMPROVEMENTS FOR 2208-HOOKIPA/2251 LAULIMA AC/ HVAC; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL YEAR 2017-2018	FISCAL YEAR 2018-2019
		PLANS		1	
		DESIGN		58	
		CONSTRUCTION		240	
		EQUIPMENT		1	
		TOTAL FUNDING	UOH	300	C
110.		MAUI COLLEGE, MAUI			
		PLANS, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR RENOVATIONS, REPLACEMENTS, AND IMPROVEMENTS FOR 2252 KA'A'IKE/2253 PAINA HVAC CONTROLS AND DISTRIBUTIONS SYSTEMS; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		PLANS		1	
		DESIGN		218	
		CONSTRUCTION		880	
		EQUIPMENT		1	
		TOTAL FUNDING	UOH	1,100	C
111.		MAUI COLLEGE, MAUI			
		PLANS, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR RENOVATIONS, REPLACEMENTS, REMOVAL OF HAZARDOUS MATERIALS, AND IMPROVEMENTS FOR 2224 LIBRARY; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		PLANS		1	
		DESIGN		86	
		CONSTRUCTION		352	
		EQUIPMENT		1	
		TOTAL FUNDING	UOH	440	C
111.01.		HAWAII COMMUNITY COLLEGE - PALAMANUI, HAWAII			
		PLANS, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR OUTDOOR LEARNING AREA AND DINING AREA IMPROVEMENTS.			
		PLANS			1
		DESIGN			171
		CONSTRUCTION			1,000
		EQUIPMENT			1
		TOTAL FUNDING	UOH	C	1,173
111.02.		MAUI COLLEGE, MAUI			
		PLANS AND DESIGNS FOR A 4,000 SQUARE FOOT EXPANSION OF THE CULINARY ARTS PROGRAM AT UH MAUI COLLEGE TO LAHAINA.			
		PLANS			100
		DESIGN			300
		TOTAL FUNDING	UOH	C	400

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL YEAR 2017-2018	FISCAL YEAR 2018-2019
UOH900 - UNIVERSITY OF HAWAII, SYSTEMWIDE SUPPORT					
112.		SYSTEM, RENEW, IMPROVE AND MODERNIZE			
		PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR IMPROVEMENTS TO UNIVERSITY OF HAWAII AT MANOA FACILITIES. PROJECT TO INCLUDE RENEWAL, IMPROVEMENTS AND MODERNIZATION OF INTERIOR AND EXTERIOR STRUCTURES, ROOFS, MECHANICAL AND ELECTRICAL SYSTEMS, PEDESTRIAN PATHWAYS, ROADWAYS, GROUNDS AND OTHER PROJECT COSTS TO UPGRADE EXISTING, TEMPORARY AND NEW FACILITIES.			
		PLANS		1	
		LAND		1	
		DESIGN		16,647	
		CONSTRUCTION		66,600	
		EQUIPMENT		1	
		TOTAL FUNDING	UOH	83,250	C
113.		SYSTEM, SNYDER HALL REPLACEMENT			
		PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, EQUIPMENT AND OTHER RELATED PROJECT COSTS FOR THE DEMOLITION AND REPLACEMENT OF SNYDER HALL.			
		PLANS		1	
		LAND		1	
		DESIGN		1,497	
		CONSTRUCTION		3,500	
		EQUIPMENT		1	
		TOTAL FUNDING	UOH	5,000	C
114.		UNIVERSITY OF HAWAII, COLLEGE OF TROPICAL AGRICULTURE AND HUMAN RESOURCES, STATEWIDE			
		PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, EQUIPMENT, AND OTHER RELATED PROJECT COSTS FOR SITE AND INFRASTRUCTURE IMPROVEMENTS TO RESEARCH STATIONS, STATEWIDE.			
		PLANS		1	
		LAND		1	
		DESIGN		1,197	
		CONSTRUCTION		4,800	
		EQUIPMENT		1	
		TOTAL FUNDING	AGR	6,000	C

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL YEAR 2017-2018	FISCAL YEAR 2018-2019
115.		UNIVERSITY OF HAWAII, PROOF OF CONCEPT PLANNING AND DESIGN, STATEWIDE.			
		PLANS AND DESIGN FOR PROOF OF CONCEPT FOR A SCOPE OF WORK INCLUDING STAKEHOLDER ENGAGEMENT, APPLIED RESEARCH, CONCEPTUAL PLANNING, AND DESIGN INVESTIGATION; INCLUDING BUT NOT LIMITED TO A SET OF ANALYSIS, DESIGN SCHEMES, CRITERIA, AND INITIAL COSTS.			
		PLANS		1	
		DESIGN		249	
		TOTAL FUNDING	UOH	250C	C
116.		UNIVERSITY OF HAWAII, RELOCATION OF PROGRAMS, OAHU			
		PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, EQUIPMENT, AND OTHER RELATED PROJECT COSTS FOR THE RELOCATION OF COMMUNICATIONS AND ACADEMY OF CREATIVE MEDIA INTO A SHARED FACILITY ON THE MANOA CAMPUS.			
		PLANS		1	
		LAND		1	
		DESIGN		597	
		CONSTRUCTION		2,400	
		EQUIPMENT		1	
		TOTAL FUNDING	UOH	3,000C	C
117.		UNIVERSITY OF HAWAII, SYSTEMWIDE			
		PLANS, DESIGN, CONSTRUCTION, EQUIPMENT, AND RELATED COSTS FOR RENOVATIONS, REPLACEMENTS, NEW FACILITIES, AND IMPROVEMENTS FOR HYPERBARIC TREATMENT CENTER AT KUAKINI HOSPITAL; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES. THE LEGISLATURE FINDS AND DECLARES THAT THE APPROPRIATION IS IN THE PUBLIC INTEREST AND FOR THE PUBLIC'S HEALTH, SAFETY AND GENERAL WELFARE OF THE STATE.			
		PLANS		1	
		DESIGN		298	
		CONSTRUCTION		1,200	
		EQUIPMENT		1	
		TOTAL FUNDING	UOH	1,500C	C

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
117.01.		SYSTEM, RENEW, IMPROVE, AND MODERNIZE, STATEWIDE PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR IMPROVEMENTS TO THE UNIVERSITY OF HAWAII SYSTEM FACILITIES. PROJECT TO INCLUDE RENEWAL, IMPROVEMENTS AND MODERNIZATION OF INTERIOR AND EXTERIOR STRUCTURES, ROOFS, MECHANICAL AND ELECTRICAL SYSTEMS, PEDESTRIAN PATHWAYS, ROADWAYS, GROUNDS AND OTHER PROJECT COSTS TO UPGRADE EXISTING, TEMPORARY, AND NEW FACILITIES.			
		PLANS			1
		LAND			1
		DESIGN			3,997
		CONSTRUCTION			60,900
		EQUIPMENT			1
		TOTAL FUNDING	UOH	C	64,900C
117.02.		UNIVERSITY OF HAWAII AT MANOA, ATHLETICS DEPARTMENT, OAHU			
		LUMP SUM PLANS, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR RENOVATIONS, NEW FACILITIES, REFURBISHMENT, AND RENOVATION FOR ATHLETICS AT THE UNIVERSITY OF HAWAII AT MANOA.			
		PLANS			1
		DESIGN			2,998
		CONSTRUCTION			8,100
		EQUIPMENT			1
		TOTAL FUNDING	UOH	C	11,100C
117.03.		UNIVERSITY OF HAWAII JOHN A. BURNS SCHOOL OF MEDICINE, OAHU			
		PLANS FOR THE HAWAII EARLY PHASE CANCER CLINICAL TRIALS PROGRAM AT THE JOHN A. BURNS SCHOOL OF MEDICINE HAWAII CANCER CENTER ANNEX.			
		PLANS			200
		TOTAL FUNDING	UOH	C	200C

H. CULTURE AND RECREATION

AGS881 - STATE FOUNDATION ON CULTURE AND THE ARTS

1.		HAWAII THEATRE CENTER, OAHU			
		CONSTRUCTION AND EQUIPMENT FOR INTERIOR AND EXTERIOR THEATRE LIGHTING. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.			
		CONSTRUCTION			499
		EQUIPMENT			1
		TOTAL FUNDING	AGS		500C
					C

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
LNR802 - HISTORIC PRESERVATION					
1.01.		EAST HAWAII HISTORIC PRESERVATION CENTER, HAWAII			
		PLANS FOR DEVELOPMENT OF FACILITY IN EAST HAWAII FOR THE PROPER STORAGE OF STATE HISTORIC PRESERVATION DOCUMENTS AND ARTIFACTS.			
		PLANS			125
		TOTAL FUNDING LNR		C	125C
LNR804 - FOREST AND OUTDOOR RECREATION					
2.		MAUNAWILI FALLS TRAIL AT QUEEN'S RETREAT, OAHU			
		PLANS, LAND ACQUISITION, AND DESIGN FOR SITE WORK, SITE UTILITIES, PARKING LOT, DRIVEWAY, LANDSCAPING, TRAIL CONNECTION, REPLACE DRIVEWAY GATE, EXISTING TRAILHEAD CLOSURE AND REVEGETATION, AND COMFORT STATION.			
		PLANS		212	
		LAND		23	
		DESIGN		413	
		TOTAL FUNDING LNR		648C	C
3.		SHOOTING RANGE DEVELOPMENT, KAUAI			
		PLANS, DESIGN, AND CONSTRUCTION FOR THE DEVELOPMENT OF SHOOTING RANGES.			
		PLANS		1	
		DESIGN		1	
		CONSTRUCTION		348	
		TOTAL FUNDING LNR		350C	C
3.01.		HAWAII NATURE CENTER, INC			
		THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.			
		PLANS			1
		LAND			1
		DESIGN			1
		CONSTRUCTION			496
		EQUIPMENT			1
		TOTAL FUNDING LNR		C	500C
3.02.		MOANALUA GARDENS FOUNDATION, INC			
		THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.			
		PLANS			1
		LAND			1
		DESIGN			1
		CONSTRUCTION			886
		EQUIPMENT			1
		TOTAL FUNDING LNR		C	890C

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
LNR806 - PARKS ADMINISTRATION AND OPERATION					
4.		CENTRAL MAUI REGIONAL SPORTS COMPLEX, MAUI			
		DESIGN AND CONSTRUCTION OF SAFETY MEASURES AND PARK IMPROVEMENTS INCLUDING LIGHTING, SAFETY NETTING, ACCESSORIES AND RELATED IMPROVEMENTS.			
		DESIGN		229	
		CONSTRUCTION		800	
		TOTAL FUNDING LNR		1,029 C	C
5.		DEPARTMENT OF LAND AND NATURAL RESOURCES, STATE PARKS DIVISION, PROOF OF CONCEPT PLANNING AND DESIGN, STATEWIDE			
		PLANS AND DESIGN FOR PROOF OF CONCEPT FOR A SCOPE OF WORK INCLUDING STAKEHOLDER ENGAGEMENT, APPLIED RESEARCH, CONCEPTUAL PLANNING, AND DESIGN INVESTIGATION; INCLUDING BUT NOT LIMITED TO A SET OF ANALYSIS, DESIGN SCHEMES, CRITERIA, AND INITIAL COSTS. PROJECTS TO INCLUDE: MAKENA STATE PARK, MAUI; KEALAKEKUA BAY STATE HISTORICAL PARK, HAWAII; KOKEE STATE PARK, KAUAI.			
		PLANS		1	
		DESIGN		249	
		TOTAL FUNDING LNR		250 C	C
6.		FLOOD DAMAGE RECONSTRUCTION AT IAO VALLEY STATE MONUMENT, MAUI			
		DESIGN AND CONSTRUCTION OF PARK RECONSTRUCTION AND RESTORATION IMPROVEMENTS, INCLUDING BUT NOT LIMITED TO, SLOPE STABILIZATION, ROCKFALL HAZARD MITIGATION, BRIDGE AND ACCESS IMPROVEMENTS, DEBRIS REMOVAL, ROADWAY AND PARKING IMPROVEMENTS, REPAIR OF ALL AFFECTED INFRASTRUCTURE AND FACILITIES, AND RELATED IMPROVEMENTS.			
		DESIGN		300	
		CONSTRUCTION		2,700	
		TOTAL FUNDING LNR		3,000 C	C
7.		MAKENA STATE PARK, MAUI			
		CONSTRUCTION FOR TWO NEW COMFORT STATIONS AT MAKENA STATE PARK, MAUI.			
		CONSTRUCTION		2,500	
		TOTAL FUNDING LNR		2,500 C	C

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
8.		STATE PARKS HAZARD MITIGATION IMPROVEMENTS, STATEWIDE			
		DESIGN, CONSTRUCTION, AND EQUIPMENT FOR STATE PARKS HAZARD MITIGATION IMPROVEMENTS, INCLUDING NATURAL, ARBOREAL AND ANTHROPOGENIC HAZARDS.			
		DESIGN		99	99
		CONSTRUCTION		900	900
		EQUIPMENT		1	1
		TOTAL FUNDING LNR		1,000 C	1,000 C
9.		STATE PARKS INFRASTRUCTURE AND FACILITY IMPROVEMENTS, STATEWIDE (FF)			
		PLANS, DESIGN, AND CONSTRUCTION OF STATE PARKS INFRASTRUCTURE, FACILITY AND STRUCTURAL IMPROVEMENTS, REPAIRS AND OTHER RELATED IMPROVEMENTS TO ENSURE PUBLIC HEALTH AND SAFETY, AND COMPLIANCE WITH CURRENT REGULATIONS AND MANDATES. THIS PROJECT IS DEEMED NECESSARY TO QUALIFY FOR FEDERAL AID REIMBURSEMENT AND/OR FINANCING.			
		PLANS		1	1
		DESIGN		309	509
		CONSTRUCTION		2,790	2,790
		TOTAL FUNDING LNR		3,000 C	3,000 C
				LNR	300 N
10.		WAHIAWA FRESHWATER PARK, OAHU			
		PLANS AND DESIGN FOR WAHIAWA FRESHWATER PARK FOR PROOF OF CONCEPT FOR A SCOPE OF WORK INCLUDING STAKEHOLDER ENGAGEMENT, APPLIED RESEARCH, CONCEPTUAL PLANNING, AND DESIGN INVESTIGATION; INCLUDING BUT NOT LIMITED TO A SET OF ANALYSES, DESIGN SCHEMES, CRITERIA, AND INITIAL COSTS.			
		PLANS		1	
		DESIGN		249	
		TOTAL FUNDING LNR		250 C	C
10.01.		AHUPUA'A 'O KAHANA STATE PARK, OAHU			
		DESIGN AND CONSTRUCTION FOR SEWAGE IMPROVEMENTS; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		DESIGN			100
		CONSTRUCTION			200
		TOTAL FUNDING LNR		C	300 C

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
10.02.		MALAEKAHANA INFRASTRUCTURE AND FACILITY IMPROVEMENTS, KALALNAI ⁴ SECTION, OAHU			
		DESIGN AND CONSTRUCTION OF PARK AND REPAIR IMPROVEMENTS IN THE KALANAI SECTION, MALAEKAHANA STATE RECREATION AREA.			
		DESIGN			100
		CONSTRUCTION			200
		TOTAL FUNDING	LNR	C	300C
10.03.		NEW PUBLIC PARK TMK: 42003029, 42001055			
		DESIGN AND CONSTRUCTION FOR AN OFF-LEASH DOG PARK, PLAYGROUND, OUTDOOR PUBLIC GYM, RESTROOMS; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		DESIGN			800
		CONSTRUCTION			3,000
		TOTAL FUNDING	LNR	C	3,800C
10.04.		PARK IMPROVEMENTS, HAENA STATE PARK, KAUAI			
		DESIGN OF PARK IMPROVEMENTS AND FACILITIES, HAZARD MITIGATION, AND RELATED IMPROVEMENTS PURSUANT TO THE HAENA MASTER PLAN.			
		DESIGN			100
		TOTAL FUNDING	LNR	C	100C
10.05.		WAAHILA RIDGE STATE RECREATION AREA, OAHU			
		DESIGN, CONSTRUCTION, AND EQUIPMENT FOR WATER SYSTEM IMPROVEMENTS; TRAILHEAD IMPROVEMENTS INCLUDING NEW INFORMATIONAL KIOSKS WITH MAPS, SAFETY, AND EDUCATIONAL MATERIALS; TRAIL REPAIRS, HAZARD MITIGATION, AND MANAGEMENT OF BIKE TRAILS GOING TO DOLE STREET AND KANEWAI COMMUNITY PARK; FACILITY REPAIRS OF THE COMFORT STATIONS, PAVILIONS, PARKING AREAS, AND ENTRY ROADWAY; TREE MITIGATION AND SURVEY OF THE ADJACENT PRIVATE PROPERTIES.			
		DESIGN			199
		CONSTRUCTION			600
		EQUIPMENT			1
		TOTAL FUNDING	LNR	C	800C
LNR801 - OCEAN-BASED RECREATION					
11.		ALA WAI SMALL BOAT HARBOR, OAHU			
		DESIGN AND CONSTRUCTION FOR REPLACEMENT OF FINGER PIERS ALONG ROW 600.			
		DESIGN			80
		CONSTRUCTION			720
		TOTAL FUNDING	LNR	800C	C

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
12.		KAHULUI HARBOR, MAUI EQUIPMENT FOR THE PURCHASE OF A LARGE PORTABLE BATHROOM COMPLEX TO SERVICE KAHULUI HARBOR.			
		EQUIPMENT		150	
		TOTAL FUNDING	LNR	150C	C
13.		KAWAIHAE NORTH AND SOUTH SMALL BOAT HARBOR, HAWAII CONSTRUCTION FOR PAVING AND DRAINAGE IMPROVEMENTS.			
		CONSTRUCTION		1,100	
		TOTAL FUNDING	LNR	1,100C	C
14.		LAHAINA BOAT HARBOR FERRY PIER, MAUI (FF) PLANS, DESIGN, AND CONSTRUCTION FOR A FERRY PIER AT THE LAHAINA BOAT HARBOR; THIS PROJECT IS DEEMED NECESSARY TO QUALIFY FOR FEDERAL AID FINANCING AND/OR REIMBURSEMENT.			
		PLANS		1	
		DESIGN		1,829	
		CONSTRUCTION		16,470	
		TOTAL FUNDING	LNR	3,300C	C
			LNR	15,000N	N
15.		LUMP SUM IMPROVEMENT AT BOATING AND OCEAN RECREATION FACILITIES, STATEWIDE (FF) PLANS, DESIGN, AND CONSTRUCTION FOR IMPROVEMENTS AT VARIOUS BOATING FACILITIES TO INCLUDE PIERS, LOADING DOCKS, UTILITIES, BOAT RAMPS, RESTROOMS, PARKING AREAS, STRUCTURES, DREDGING, SEWER SYSTEMS, BUILDING, FENCING, RENDERING, MOORINGS, LANDSCAPING, AND OTHER RELATED WORK. THIS PROJECT IS DEEMED NECESSARY TO QUALIFY FOR FEDERAL AID FINANCING AND/OR REIMBURSEMENT.			
		PLANS		1	
		DESIGN		1	
		CONSTRUCTION		2,498	
		TOTAL FUNDING	LNR	2,000C	C
			LNR	500N	N
16.		SWIM AREA IN POHOIKI, HAWAII PLANS AND DESIGN FOR A FEASIBILITY STUDY BY LNR TO DETERMINE THE BEST MEANS TO PROVIDE A POHOIKI SWIMMING AREA AND DEVELOP PLANS, IN COOPERATION WITH THE U.S. ARMY CORPS OF ENGINEERS, COUNTY OF HAWAII, AND OTHER STAKEHOLDERS, FOR A SAFE SWIM AREA.			
		PLANS		25	
		DESIGN		225	
		TOTAL FUNDING	LNR	250C	C

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
17.		WAIAKAEA (LIHI) CANAL BOAT RAMP, KAUAI			
		CONSTRUCTION TO INCLUDE MAINTENANCE, DREDGING, AND RELATED IMPROVEMENTS.			
		CONSTRUCTION		1,700	
		TOTAL FUNDING LNR		1,700C	C
17.01.		ALA WAI SMALL BOAT HARBOR, OAHU			
		DESIGN AND CONSTRUCTION OF WATER SYSTEM IMPROVEMENTS AND CONSTRUCTION OF RANGE LIGHTS REPLACEMENT.			
		DESIGN			300
		CONSTRUCTION			1,200
		TOTAL FUNDING LNR		C	1,500C
17.02.		KIKIAOLA SMALL BOAT HARBOR, KAUAI			
		DESIGN AND CONSTRUCTION FOR SITE IMPROVEMENTS; GROUND AND SITE IMPROVEMENTS.			
		DESIGN			400
		CONSTRUCTION			1,600
		TOTAL FUNDING LNR		C	2,000C
17.03.		LAHAINA SMALL BOAT HARBOR, MAUI			
		PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, EQUIPMENT, AND PERMITTING, MAUKA MARGINAL FLOATING PIER.			
		PLANS			1
		LAND			1
		DESIGN			97
		CONSTRUCTION			2,000
		EQUIPMENT			1
		TOTAL FUNDING LNR		C	2,100C
AGS889 - SPECTATOR EVENTS AND SHOWS - ALOHA STADIUM					
18.		ALOHA STADIUM, MASTER PLAN AND ENVIRONMENTAL IMPACT STUDY, OAHU			
		PLANS FOR A MASTER PLAN AND AN ENVIRONMENTAL IMPACT STUDY FOR THE ALOHA STADIUM FACILITY AND SITE. SCOPE INCLUDES STUDIES AND RELATED PLANNING WORK FOR THE DEMOLITION OF THE EXISTING ALOHA STADIUM AND FOR DEVELOPMENT AND CONSTRUCTION OF A NEW STADIUM FACILITY FOR THE STATE OF HAWAII. CONSIDERATION INCLUDES MIXED USE DEVELOPMENT OF THE ENTIRE ALOHA STADIUM SITE.			
		PLANS		10,000	
		TOTAL FUNDING AGS		10,000C	C

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL YEAR 2017-2018	FISCAL YEAR 2018-2019

I. PUBLIC SAFETY

PSD900 - GENERAL ADMINISTRATION

1.		DEPARTMENT OF PUBLIC SAFETY, PROOF OF CONCEPT PLANNING AND DESIGN, STATEWIDE				
		PLANS AND DESIGN FOR PROOF OF CONCEPT FOR A SCOPE OF WORK INCLUDING STAKEHOLDER ENGAGEMENT, APPLIED RESEARCH, CONCEPTUAL PLANNING, AND DESIGN INVESTIGATION; INCLUDING BUT NOT LIMITED TO A SET OF ANALYSIS, DESIGN SCHEMES, CRITERIA, AND INITIAL COSTS.				
		PLANS			1	
		DESIGN			349	
		TOTAL FUNDING	PSD		350C	C
2.		HAWAII COMMUNITY CORRECTIONAL CENTER, NEW MEDIUM SECURITY HOUSING, HAWAII				
		CONSTRUCTION OF A NEW MEDIUM SECURITY HOUSING UNIT AND RELATED IMPROVEMENTS AT THE HAWAII COMMUNITY CORRECTIONAL CENTER.				
		CONSTRUCTION			13,210	
		TOTAL FUNDING	AGS		13,210C	C
3.		KAUAI COMMUNITY CORRECTIONAL CENTER, NEW MEDIUM SECURITY HOUSING, KAUAI				
		CONSTRUCTION OF A NEW MEDIUM SECURITY HOUSING UNIT AND RELATED IMPROVEMENTS AT THE KAUAI COMMUNITY CORRECTIONAL CENTER.				
		CONSTRUCTION			13,210	
		TOTAL FUNDING	AGS		13,210C	C
4.		MAUI COMMUNITY CORRECTIONAL CENTER, NEW MEDIUM SECURITY HOUSING, MAUI				
		CONSTRUCTION OF A NEW MEDIUM SECURITY HOUSING UNIT AND RELATED IMPROVEMENTS AT THE MAUI COMMUNITY CORRECTIONAL CENTER.				
		CONSTRUCTION			6,320	
		TOTAL FUNDING	AGS		6,320C	C

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
5.		PSD GENERAL ADMINISTRATION, LUMP SUM CIP, STATEWIDE			
		DESIGN AND CONSTRUCTION FOR NEW ADDITIONS, RENOVATIONS, ALTERATIONS, REPLACEMENTS, UPGRADES, IMPROVEMENTS, AND REHABILITATION OF BUILDINGS, SITES, UTILITIES, EQUIPMENT, AND FACILITIES, STATEWIDE FOR THE DEPARTMENT OF PUBLIC SAFETY; MECHANICAL SYSTEM INFRASTRUCTURE IMPROVEMENTS, UPGRADES, AND REHABILITATION FOR PSD FACILITIES, STATEWIDE; ELECTRICAL SYSTEM INFRASTRUCTURE IMPROVEMENTS AND UPGRADES FOR THE DEPARTMENT OF PUBLIC SAFETY FACILITIES, STATEWIDE.			
		DESIGN		6,895	
		CONSTRUCTION		27,580	
		TOTAL FUNDING	AGS	34,475 C	C
6.		WCCC, NEW CONSOLIDATED HOUSING AND OTHER RELATED IMPROVEMENTS, OAHU			
		PLANS, DESIGN, CONSTRUCTION, AND EQUIPMENT OF A NEW CONSOLIDATED WOMEN'S HOUSING, ASSOCIATED SUPPORT OFFICES, AND OTHER IMPROVEMENTS AT THE WOMEN'S COMMUNITY CORRECTIONAL CENTER (WCCC), OAHU.			
		PLANS		1,600	1
		DESIGN		6,400	9,998
		CONSTRUCTION			30,000
		EQUIPMENT			1
		TOTAL FUNDING	AGS	8,000 C	40,000 C
7.		WOMEN'S COMMUNITY CORRECTIONAL CENTER, HOOKIPA MAKAI COTTAGE RENOVATION FOR NEW CONSOLIDATED FEMALE HOUSING, OAHU			
		CONSTRUCTION FOR THE RENOVATION OF THE HOOKIPA MAKAI COTTAGE AND PROGRAMS BUILDING AND RELATED IMPROVEMENTS AT THE WOMEN'S COMMUNITY CORRECTIONAL CENTER.			
		CONSTRUCTION		3,145	
		TOTAL FUNDING	AGS	3,145 C	C
7.01.		KULANI CORRECTIONAL FACILITY, HAWAII			
		PLANS, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR INFRARED CAMERAS TO ASSIST THE FACILITY WITH SECURITY, ADDITIONAL FENCING, ROOFING MATERIALS AND SUPPLIES, WATER LINE INSTALLATION, AND WATER SPIGGOTS; EQUIPMENT AND APPURTENANCES.			
		PLANS			1
		DESIGN			198
		CONSTRUCTION			800
		EQUIPMENT			1
		TOTAL FUNDING	AGS	C	1,000 C

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL YEAR 2017-2018	FISCAL YEAR 2018-2019
7.02.		MAUI COMMUNITY CORRECTIONAL CENTER, DORM 3 HOUSING RENOVATIONS, MAUI			
		PLANS, DESIGN, AND CONSTRUCTION TO RENOVATE THE MAUI COMMUNITY CORRECTIONAL CENTER'S DORMITORY 3 BUILDING			
		PLANS			1
		DESIGN			49
		CONSTRUCTION			200
		TOTAL FUNDING	AGS	C	250 C
7.03.		MAUI COMMUNITY CORRECTIONAL CENTER, DORMS 1 & 2 HOUSING RENOVATION, MAUI			
		PLANS, DESIGN, AND CONSTRUCTION TO RENOVATE MAUI COMMUNITY CORRECTIONAL CENTER (MCCC) DORMITORIES 1 AND 2.			
		PLANS			1
		DESIGN			49
		CONSTRUCTION			200
		TOTAL FUNDING	AGS	C	250 C
7.04.		PSD PLANS REVIEW USE AND SPECIAL USE PERMIT FILING FOR WAIAWA CORRECTIONAL CENTER, OAHU			
		PLANS TO COMPLETE THE PLANS REVIEW USE (PRU) AND SPECIAL USE PERMIT (SUP) FILING FOR THE WAIAWA CORRECTIONAL CENTER, OAHU AS REQUIRED BY THE STATE OF HAWAII AND CITY & COUNTY OF HONOLULU, DEPARTMENT OF PLANNING & PERMITTING.			
		PLANS			500
		TOTAL FUNDING	AGS	C	500 C
7.05.		PSD SW FACILITY MASTER PLANS, ADA ASSESSMENT AND SUSTAINABILITY MASTER PLANS, STATEWIDE			
		PLANS AND DESIGN FOR THE DEVELOPMENT OF A MASTER PLAN FOR THE DEPARTMENT OF PUBLIC SAFETY, DEVELOPMENT OF A STATEWIDE ADA ACHIEVABLE BARRIER REMOVAL AND ADA TRANSITION ASSESSMENT MASTER PLAN, AND DEVELOPMENT OF A STATEWIDE SUSTAINABILITY MASTER PLAN FOR PSD.			
		PLANS			500
		DESIGN			2,000
		TOTAL FUNDING	AGS	C	2,500 C

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL YEAR 2017-2018	FISCAL YEAR 2018-2019
DEF110 - AMELIORATION OF PHYSICAL DISASTERS					
8.		COMBINED SUPPORT MAINTENANCE SHOP 2, KEAUKAHA MILITARY RESERVATION, HAWAII			
		CONSTRUCTION AND EQUIPMENT FOR A NEW COMBINED SUPPORT MAINTENANCE SHOP COMPLEX FOR THE HAWAII ARMY NATIONAL GUARD. THE NEW COMBINED SUPPORT MAINTENANCE SHOP WILL INCLUDE OFFICE, PERSONNEL AND WORK AREA SPACE, AND MAINTENANCE SHOP WORK BAYS THAT WILL BE DESIGNED AND CONSTRUCTED TO ACHIEVE LEED SILVER. THIS PROJECT IS DEEMED NECESSARY TO QUALIFY FOR FEDERAL AID FINANCING AND/OR REIMBURSEMENT.			
		CONSTRUCTION		2,599	1
		EQUIPMENT		1	1,714
		TOTAL FUNDING	DEF	1C	1C
			DEF	2,599P	1,714P
9.		DISASTER WARNING AND COMMUNICATIONS DEVICES, STATEWIDE			
		PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR INCREMENTAL ADDITION, REPLACEMENT, AND UPGRADE OF STATE CIVIL DEFENSE WARNING AND COMMUNICATIONS EQUIPMENT, STATEWIDE. THIS WILL EXPAND THE COVERAGE AND RELIABILITY OF THE WARNING AND CONTROL SYSTEM, AS WELL AS MODERNIZE AND ALLEVIATE SIREN COVERAGE GAP AREAS. THIS PROJECT IS DEEMED NECESSARY TO QUALIFY FOR FEDERAL AID FINANCING AND/OR REIMBURSEMENT.			
		PLANS		1	1
		LAND		1	1
		DESIGN		30	30
		CONSTRUCTION		2,193	2,193
		EQUIPMENT		275	275
		TOTAL FUNDING	AGS	2,499C	2,499C
			AGS	1N	1N
10.		EMERGENCY FIBER OPTIC CABLE SYSTEM FOR DEPARTMENT OF DEFENSE DIAMOND HEAD OPERATION CENTERS, OAHU			
		DESIGN AND CONSTRUCTION FOR AN UNDERGROUND FIBER OPTIC CABLING SYSTEM TO INTERCONNECT THE STATE EMERGENCY OPERATIONS CENTER IN BIRKHIMER TUNNEL AND THE NATIONAL GUARD JOINT OPERATIONS CENTER (JOC) IN BATTERY 407.			
		DESIGN		107	
		CONSTRUCTION			773
		TOTAL FUNDING	AGS	107C	773C

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
11.		ENERGY RESILIENCY AND PHYSICAL SECURITY PROJECTS FOR HAWAII ARMY NATIONAL GUARD FACILITIES, STATEWIDE			
		DESIGN AND CONSTRUCTION FOR ENERGY RESILIENCY, ENERGY EFFICIENCY, AND PHYSICAL SECURITY PROJECTS FOR CRITICAL FACILITIES OF THE HAWAII ARMY NATIONAL GUARD (HIARNG) IN HILO, HAWAII AND KALAELOA, OAHU TO ENSURE THE SAFETY AND CONTINUED OPERATIONS OF THE FACILITIES DURING A DISASTER. THIS PROJECT IS DEEMED NECESSARY TO QUALIFY FOR FEDERAL AID FINANCING AND/OR REIMBURSEMENT.			
		DESIGN		920	
		CONSTRUCTION			7,330
		TOTAL FUNDING	DEF	170C	1,580C
			DEF	750P	5,750P
12.		FORT RUGER STATE MOTOR POOL, ABOVE GROUND FUEL STORAGE TANK, OAHU			
		DESIGN AND CONSTRUCTION FOR A 1,000-GALLON ABOVE GROUND FUEL STORAGE TANK AND ACCESSORY STRUCTURES TO SUPPORT THE DEPARTMENT OF DEFENSE STATE MOTOR POOL.			
		DESIGN		36	
		CONSTRUCTION			201
		TOTAL FUNDING	DEF	36C	201C
13.		HAWAII STATE FUSION CENTER, OAHU			
		DESIGN AND CONSTRUCTION FOR THE RENOVATION OF OFFICE SPACE WITHIN FORT RUGER BUILDING 306A TO CREATE A SENSITIVE COMPARTMENTED INFORMATION FACILITY, SECURE ROOM AND OFFICES FOR THE HAWAII STATE FUSION CENTER, AND OTHER RELATED IMPROVEMENTS.			
		DESIGN		141	1
		CONSTRUCTION			1,615
		TOTAL FUNDING	AGS	141C	1,616C
14.		LIHUE AIRPORT STORAGE FACILITY, KAUAI			
		PLANS, DESIGN, AND CONSTRUCTION OF A NEW STORAGE FACILITY AT THE LIHUE AIRPORT TO STORE EMERGENCY EQUIPMENT INCLUDING BUT NOT LIMITED TO FEDERAL, STATE, AND, LOCAL AGENCIES EMERGENCY EQUIPMENT.			
		PLANS		1	
		DESIGN		199	
		CONSTRUCTION		800	
		TOTAL FUNDING	TRN	1,000C	C

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL YEAR 2017-2018	FISCAL YEAR 2018-2019
15.		OPERATIONS SUPPORT CENTER ROOF REPLACEMENT, OAHU			
		DESIGN AND CONSTRUCTION OF ROOF REPLACEMENT FOR THE STATE EMERGENCY OPERATIONS CENTER, OPERATIONS SUPPORT CENTER (BUILDING 303) LOCATED IN DIAMOND HEAD CRATER. PROJECT INCLUDES INSPECTION, DESIGN, DEMOLITION, AND RELATED CONSTRUCTION.			
		DESIGN		81	1
		CONSTRUCTION			723
		TOTAL FUNDING	AGS	81 C	724 C
16.		RETROFIT PUBLIC BUILDINGS WITH HURRICANE PROTECTIVE MEASURES, STATEWIDE			
		PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT TO RETROFIT BUILDINGS WITH HURRICANE PROTECTIVE MEASURES TO INCREASE THE NUMBER OF EMERGENCY SHELTERS STATEWIDE.			
		PLANS		1	1
		LAND		1	1
		DESIGN		250	250
		CONSTRUCTION		825	825
		EQUIPMENT		1,923	1,923
		TOTAL FUNDING	AGS	3,000 C	3,000 C
17.		UPGRADES AND IMPROVEMENTS TO NATIONAL GUARD READINESS CENTERS AND FACILITIES, STATEWIDE			
		DESIGN AND CONSTRUCTION OF IMPROVEMENTS AND UPGRADES TO NATIONAL GUARD READINESS CENTERS (ARMORIES) AND FACILITIES TO CONFORM TO CURRENT NATIONAL GUARD BUREAU AND U.S. DEPARTMENT OF THE ARMY STANDARDS AND CRITERIA, AND TO MEET HEALTH, SAFETY, AND BUILDING CODE REQUIREMENTS. THIS PROJECT IS DEEMED NECESSARY TO QUALIFY FOR FEDERAL AID FINANCING AND/OR REIMBURSEMENT.			
		DESIGN		1,574	
		CONSTRUCTION		8,983	6,015
		TOTAL FUNDING	DEF	2,817 C	1,510 C
			DEF	7,740 P	4,505 P

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F

K. GOVERNMENT-WIDE SUPPORT

BED144 - STATEWIDE PLANNING AND COORDINATION

- 1. DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT AND TOURISM, PROOF OF CONCEPT PLANNING AND DESIGN, STATEWIDE

PLANS AND DESIGN FOR PROOF OF CONCEPT FOR A SCOPE OF WORK INCLUDING STAKEHOLDER ENGAGEMENT, APPLIED RESEARCH, CONCEPTUAL PLANNING, AND DESIGN INVESTIGATION; INCLUDING BUT NOT LIMITED TO A SET OF ANALYSIS, DESIGN SCHEMES, CRITERIA, AND INITIAL COSTS.

PLANS			1	
DESIGN			249	
TOTAL FUNDING	BED		250 C	

- 2. PROOF OF CONCEPT PLANNING AND DESIGN FOR SOUTH SHORE PROMENADE AND COASTAL OPEN SPACE NETWORK STUDY, OAHU

PLANS AND DESIGN FOR SOUTH SHORE PROMENADE AND COASTAL OPEN SPACE NETWORK STUDY (DIAMOND HEAD TO PEARL HARBOR): RESILIENCE AND CONNECTIVITY BY DESIGN.

PLANS			1	
DESIGN			249	
TOTAL FUNDING	BED		250 C	

- 3. STATE AGENCY TRANSIT-ORIENTED DEVELOPMENT, OAHU

PLANS FOR TRANSIT-ORIENTED DEVELOPMENT MASTER PLAN OF STATE-OWNED PARCELS NEAR PROPOSED RAIL STATIONS ON THE ISLAND OF OAHU.

PLANS			1,000	
TOTAL FUNDING	BED		1,000 C	

TAX107 - SUPPORTING SERVICES - REVENUE COLLECTION

- 4. INFRASTRUCTURE AND EQUIPMENT FOR THE SAFETY AND SECURITY OF THE DEPARTMENT OF TAXATION, STATEWIDE

DESIGN, CONSTRUCTION, AND EQUIPMENT RELATING TO THE SAFETY AND SECURITY OF THE DEPARTMENT OF TAXATION.

DESIGN			20	
CONSTRUCTION			360	
EQUIPMENT			120	
TOTAL FUNDING	TAX		500 C	

- 4.01. TAX SYSTEM MODERNIZATION (TSM), STATEWIDE

CONSTRUCTION OF A CORE COMPUTER SYSTEM WHICH WILL BE A REPLACEMENT FOR THE CURRENT TAX SYSTEM.

CONSTRUCTION				16,546
TOTAL FUNDING	TAX		C	16,546 C

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F

AGS130 - ENTERPRISE TECHNOLOGY SERVICES - GOVERNANCE AND INNOVATION

5.	UPGRADE AND EXPANSION OF CRITICAL DATA SYSTEMS, OAHU EQUIPMENT FOR IT INFRASTRUCTURE, INCLUDING DATA/SHARED SERVICE CENTERS AND NETWORKS FOR THE STATE OF HAWAII.					
		EQUIPMENT			900	
		TOTAL FUNDING	AGS		900 C	C

AGS131 - ENTERPRISE TECHNOLOGY SERVICES - OPERATIONS AND INFRASTRUCTURE MAINTENANCE

6.	LUMP SUM HEALTH AND SAFETY, INFORMATION AND COMMUNICATION SERVICES DIVISION, STATEWIDE					
	PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR REPAIRS, MODERNIZATION, AND EXPANSION OF CRITICAL COMMUNICATIONS SYSTEMS, INCLUDING THE STATEWIDE ANUENUE AND HAWAIIAN MICROWAVE SYSTEMS AND LAND MOBILE RADIO, STATEWIDE SHARED BLENDED RADIO SYSTEM, AND NEW RADIO SITES AND TOWERS STATEWIDE.					
		PLANS			1	1
		LAND			1	1
		DESIGN			87	1,007
		CONSTRUCTION			810	4,040
		EQUIPMENT			1	1
		TOTAL FUNDING	AGS		900 C	5,050 C

LNR101 - PUBLIC LANDS MANAGEMENT

7.	DAM ASSESSMENTS, MAINTENANCE, AND REMEDIATION, STATEWIDE					
	PLANS, DESIGN, AND CONSTRUCTION FOR ASSESSMENTS, MAINTENANCE, AND REMEDIATION OF DAMS UNDER THE JURISDICTION OF THE DEPARTMENT OF LAND AND NATURAL RESOURCES.					
		PLANS			1	
		DESIGN			1	
		CONSTRUCTION			2,248	
		TOTAL FUNDING	LNR		2,250 C	C

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL YEAR 2017-2018	FISCAL YEAR 2018-2019
8.		KAANAPALI BEACH RESTORATION AND BERM ENHANCEMENT, KAA NAPALI, MAUI			
		CONSTRUCTION FOR SAND REPLENISHMENT AT KAA NAPALI BEACH, MAUI. SAND WOULD BE BORROWED FROM AN OFFSHORE SAND FIELD AND DELIVERED TO THE BEACH. THE BEACH WOULD BE WIDENED BY 35 FEET ALONG 3,500 FEET OF BEACH AREA IN FRONT OF THE MARRIOTT AND HYATT HOTELS.			
		CONSTRUCTION			9,300
		TOTAL FUNDING	LNR	C	3,500 C
			LNR	R	4,650 R
			LNR	T	1,150 T
8.01.		KAMEHAMENUI FOREST ACQUISITION ADDITION TO KULA FOREST RESERVE, MAUI			
		LAND ACQUISITION OF 3277 ACRES IN UPCOUNTRY MAUI FOR ADDITION TO THE KULA FOREST RESERVE FOR REFORESTATION AND PUBLIC RECREATION AND BENEFIT.			
		LAND			5,000
		TOTAL FUNDING	LNR	B	3,000 B
			LNR	C	1,000 C
			LNR	S	1,000 S
8.02.		KAMEHAMENUI FOREST ACQUISITION ADDITION TO KULA FOREST RESERVE, MAUI			
		USDA FOREST SERVICE - FOREST LEGACY PROGRAM. LAND ACQUISITION OF 3277 ACRES IN UPCOUNTRY MAUI FOR ADDITION TO THE KULA FOREST RESERVE FOR REFORESTATION AND PUBLIC RECREATION AND BENEFIT.			
		LAND			4,000
		TOTAL FUNDING	LNR	N	4,000 N
8.03.		KAMEHAMENUI FOREST ACQUISITION ADDITION TO KULA FOREST RESERVE, MAUI			
		USDOI FISH AND WILDLIFE - HABITAT CONSERVATION PLANNING ACQUISITION GRANT. LAND ACQUISITION OF 3277 ACRES IN UPCOUNTRY MAUI FOR ADDITION TO THE KULA FOREST RESERVE FOR REFORESTATION AND PUBLIC RECREATION AND BENEFIT.			
		LAND			2,000
		TOTAL FUNDING	LNR	N	2,000 N

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
AGS221 - PUBLIC WORKS - PLANNING, DESIGN, AND CONSTRUCTION					
9.		ALEA BRIDGE, OAHU			
		PLANS, LAND ACQUISITION, DESIGN, AND CONSTRUCTION FOR A RESOURCE AND NAVIGATION CENTER. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.			
		PLANS		1	
		LAND		1	
		DESIGN		1	
		CONSTRUCTION		997	
		TOTAL FUNDING	AGS	1,000C	C
10.		ARTS & SCIENCES CENTER #1, HAWAII			
		EQUIPMENT FOR REPLACEMENT OF A FIRE ALARM SYSTEM. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.			
		EQUIPMENT		28	
		TOTAL FUNDING	AGS	28C	C
11.		ARTS & SCIENCES CENTER #2, HAWAII			
		PLANS AND DESIGN FOR A COMMUNITY FACILITY AND INFRASTRUCTURE. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.			
		PLANS		1	
		DESIGN		62	
		TOTAL FUNDING	AGS	63C	C
12.		BISHOP MUSEUM, OAHU			
		CONSTRUCTION FOR ENERGY EFFICIENCY AND SITE IMPROVEMENTS. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.			
		CONSTRUCTION		250	
		TOTAL FUNDING	AGS	250C	C
13.		BOBBY BENSON CENTER, OAHU			
		PLANS, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR RENOVATION AND RESTORATION OF FACILITY. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.			
		PLANS		1	
		DESIGN		1	
		CONSTRUCTION		247	
		EQUIPMENT		1	
		TOTAL FUNDING	AGS	250C	C

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)		
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F	
14.		CAPITAL IMPROVEMENTS PROGRAM STAFF COSTS, STATEWIDE				
		PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR COSTS RELATED TO WAGES FOR PERMANENT, PROJECT-FUNDED STAFF POSITIONS FOR THE IMPLEMENTATION OF CAPITAL IMPROVEMENT PROGRAM PROJECTS FOR THE DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES. PROJECTS MAY ALSO INCLUDE FUNDS FOR NON-PERMANENT AND EXEMPT FROM CHAPTER 76 CAPITAL IMPROVEMENT PROGRAM RELATED POSITIONS.				
		PLANS		6,124		
		LAND		1		
		DESIGN		1		
		CONSTRUCTION		1		
		EQUIPMENT		1		
		TOTAL FUNDING	AGS	6,128A	A	
15.		DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES, PROOF OF CONCEPT PLANNING AND DESIGN, STATEWIDE				
		PLANS AND DESIGN FOR PROOF OF CONCEPT FOR A SCOPE OF WORK INCLUDING STAKEHOLDER ENGAGEMENT, APPLIED RESEARCH, CONCEPTUAL PLANNING, AND DESIGN INVESTIGATION; INCLUDING BUT NOT LIMITED TO A SET OF ANALYSIS, DESIGN SCHEMES, CRITERIA, AND INITIAL COSTS.				
		PLANS		1		
		DESIGN		249		
		TOTAL FUNDING	AGS	250C	C	
17.		FRIENDS OF PALACE THEATER, HAWAII				
		PLANS, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR INSTALLATION OF A NEW AIR CONDITIONING SYSTEM. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.				
		PLANS		1		
		DESIGN		1		
		CONSTRUCTION		127		
		EQUIPMENT		1		
		TOTAL FUNDING	AGS	130C	C	
18.		HALE KIPA, INC., OAHU				
		CONSTRUCTION FOR A SERVICES CENTER AND TWO RESIDENTIAL SHELTERS. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.				
		CONSTRUCTION		750		
		TOTAL FUNDING	AGS	750C	C	

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL YEAR 2017-2018	FISCAL YEAR 2018-2019
19.		HAWAII ISLAND COMMUNITY DEVELOPMENT CORPORATION, HAWAII			
		CONSTRUCTION FOR A NEW ADULT DAY CARE CENTER FACILITY. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.			
		CONSTRUCTION		200	
		TOTAL FUNDING AGS		200 C	C
20.		HUI O LAKA, KAUAI			
		CONSTRUCTION FOR THE RENOVATION OF HISTORIC STATE-OWNED BUILDINGS. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.			
		CONSTRUCTION		25	
		TOTAL FUNDING AGS		25 C	C
21.		ISLAND OF HAWAII YMCA, HAWAII			
		PLANS, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR EXTENSIVE REPAIRS TO THE ISLAND OF HAWAII YMCA BUILDING IN HILO. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.			
		PLANS		1	
		DESIGN		1	
		CONSTRUCTION		695	
		EQUIPMENT		1	
		TOTAL FUNDING AGS		698 C	C
22.		KA HALE A KE OLA HOMELESS RESOURCE CENTERS, INC., MAUI			
		DESIGN AND CONSTRUCTION FOR RENOVATIONS AND IMPROVEMENTS FOR PERMANENT SUPPORTIVE HOUSING ON MAUI. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.			
		DESIGN		2	
		CONSTRUCTION		703	
		TOTAL FUNDING AGS		705 C	C
23.		KUNIA VILLAGE DEVELOPMENT CORPORATION, OAHU			
		PLANS, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR CAPITAL IMPROVEMENTS TO WATER SYSTEMS TO SUPPORT AFFORDABLE WORK-FORCE HOUSING. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.			
		PLANS		1	
		DESIGN		1	
		CONSTRUCTION		662	
		EQUIPMENT		1	
		TOTAL FUNDING AGS		665 C	C

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
24.		LUMP SUM MAINTENANCE OF EXISTING FACILITIES, PUBLIC WORKS DIVISION, STATEWIDE			
		PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR IMPROVEMENTS AND MAINTENANCE OF PUBLIC FACILITIES AND SITES, STATEWIDE. PROJECTS MAY INCLUDE REPAIRS AND IMPROVEMENTS.			
		PLANS		100	1
		LAND		1	1
		DESIGN		810	997
		CONSTRUCTION		14,080	4,000
		EQUIPMENT		9	1
		TOTAL FUNDING AGS		15,000C	5,000C
25.		LUMP SUM STATE OFFICE BUILDING REMODELING, STATEWIDE			
		PLANS, DESIGN, AND CONSTRUCTION FOR REMODELING AND UPGRADE OF STATE-OWNED OFFICES TO ACCOMMODATE STATE AGENCIES' OPERATIONAL REQUIREMENTS. PROJECT INCLUDES RENOVATION FOR REORGANIZATION, PROGRAM AND STAFFING CHANGES, AND CONSOLIDATION, AS WELL AS IMPROVEMENTS FOR OFFICE LAYOUTS, ENERGY CONSERVATION, LIGHTING, A/C, VENTILATION, PLUMBING, ELECTRICAL, AND DATA/COMMUNICATIONS SYSTEMS.			
		PLANS		1	
		DESIGN		299	
		CONSTRUCTION		2,700	
		TOTAL FUNDING AGS		3,000C	C
26.		MAUI ARTS & CULTURAL CENTER, MAUI			
		PLANS AND CONSTRUCTION FOR COMPLETION OF A COMMUNITY STAGE AND EVENTS LAWN AREA. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.			
		PLANS		1	
		CONSTRUCTION		999	
		TOTAL FUNDING AGS		1,000C	C
27.		MAUI YOUTH AND FAMILY SERVICES, INC., MAUI			
		CONSTRUCTION FOR A NEW FACILITY TO PROVIDE SUPPORT SERVICES ON MAUI. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.			
		CONSTRUCTION		400	
		TOTAL FUNDING AGS		400C	C

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL YEAR 2017-2018	FISCAL YEAR 2018-2019
28.		NATIONAL KIDNEY FOUNDATION OF HAWAII, STATEWIDE PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR A NEW PROGRAM CENTER. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.			
		PLANS		1	
		LAND		1	
		DESIGN		1	
		CONSTRUCTION		996	
		EQUIPMENT		1	
		TOTAL FUNDING	AGS	1,000	C
29.		NEW PARKING GARAGE AND COMMUNITY CENTER, OAHU PLANS, DESIGN, AND CONSTRUCTION FOR AN UNDERGROUND PARKING GARAGE, ABOVE GROUND COMMUNITY GATHERING SPACE, NEW BUILDING HOUSING A COMMUNITY MEETING ROOM AND RETAIL SPACE, AND ASSOCIATED SITE IMPROVEMENTS, EQUIPMENT, AND APPURTENANCES AT TMK: 43054006:0000.			
		PLANS		1	
		DESIGN		299	
		CONSTRUCTION		2,700	
		TOTAL FUNDING	AGS	3,000	C
30.		STATE CAPITOL BUILDING, REHABILITATION OF CHAMBERS LEVEL WATERPROOFING SYSTEM, OAHU PLANS, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR FULL STRUCTURAL AND ARCHITECTURAL REHABILITATION OF THE WATERPROOFING SYSTEM/REFLECTING POOLS ABOVE THE CHAMBERS, BASEMENT OFFICES, PARKING AREA, AND OTHER RELATED IMPROVEMENTS.			
		PLANS		1	
		DESIGN		1,197	
		CONSTRUCTION		1	
		EQUIPMENT		1	
		TOTAL FUNDING	AGS	1,200	C
31.		WAIMANALO COMMUNITY VALUES AND PRIORITIES PROJECT, OAHU PLANS FOR PHASE 2 OF THE WAIMANALO COMMUNITY VALUES AND PRIORITIES PROJECT.			
		PLANS		250	
		TOTAL FUNDING	AGS	250	C
32.		WAIOLI CORPORATION, KAUAI CONSTRUCTION FOR A RAIL-LINE RESTORATION AND EDUCATIONAL EXHIBIT. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.			
		CONSTRUCTION		550	
		TOTAL FUNDING	AGS	550	C

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
33.		SEAWATER AIR CONDITIONING, OAHU			
		DESIGN, CONSTRUCTION, AND EQUIPMENT FOR SEAWATER AIR CONDITIONING ENERGY TRANSFER FACILITIES FOR SELECTED STATE BUILDINGS IN THE CAPITOL DISTRICT. PROJECT TO INCLUDE BUILDING AND SITE IMPROVEMENTS, EQUIPMENT, APPURTENANCES, AND OTHER PROJECT COSTS.			
		DESIGN		468	
		CONSTRUCTION		607	
		EQUIPMENT		5,180	
		TOTAL FUNDING	AGS	6,255C	C
33.01.		STATE CAPITOL BUILDING, OAHU			
		DESIGN, CONSTRUCTION, AND EQUIPMENT FOR REFURBISHMENT, RENOVATION, INSTALLATION, CONSTRUCTION, INFRASTRUCTURE, REPAIR FOR THE HAWAII STATE CAPITOL; EQUIPMENT AND APPURTENANCES.			
		DESIGN			1
		CONSTRUCTION			2,499
		EQUIPMENT			2,500
		TOTAL FUNDING	AGS	C	5,000C
33.02.		ALOHA MEDICAL MISSION			
		THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.			
		PLANS			1
		LAND			1
		DESIGN			1
		CONSTRUCTION			146
		EQUIPMENT			1
		TOTAL FUNDING	AGS	C	150C
33.03.		ALTERNATIVE STRUCTURES INTERNATIONAL			
		THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.			
		PLANS			1
		LAND			1
		DESIGN			1
		CONSTRUCTION			496
		EQUIPMENT			1
		TOTAL FUNDING	AGS	C	500C
33.04.		CHILDREN'S DISCOVERY CENTER			
		THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.			
		PLANS			1
		LAND			1
		DESIGN			1
		CONSTRUCTION			246
		EQUIPMENT			1
		TOTAL FUNDING	AGS	C	250C

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
33.05.		DAUGHTERS OF HAWAII			
		THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.			
		PLANS			1
		LAND			1
		DESIGN			1
		CONSTRUCTION			196
		EQUIPMENT			1
		TOTAL FUNDING	AGS	C	200C
33.06.		DIAMOND HEAD THEATRE			
		THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.			
		PLANS			1
		LAND			1
		DESIGN			1
		CONSTRUCTION			246
		EQUIPMENT			1
		TOTAL FUNDING	AGS	C	250C
33.07.		FRIENDS OF KING KAUMUALII			
		THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.			
		PLANS			1
		LAND			1
		DESIGN			1
		CONSTRUCTION			216
		EQUIPMENT			1
		TOTAL FUNDING	AGS	C	220C
33.08.		FRIENDS OF KONA PACIFIC PUBLIC CHARTER SCHOOL			
		THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.			
		PLANS			1
		LAND			1
		DESIGN			1
		CONSTRUCTION			396
		EQUIPMENT			1
		TOTAL FUNDING	AGS	C	400C
33.09.		FRIENDS OF THE VOLCANO SCHOOL OF ARTS & SCIENCES			
		THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.			
		PLANS			1
		LAND			1
		DESIGN			1
		CONSTRUCTION			446
		EQUIPMENT			1
		TOTAL FUNDING	AGS	C	450C
33.10.		HAWAII COUNTY ECONOMIC OPPORTUNITY COUNCIL (HCEOC)			
		THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.			
		PLANS			1
		LAND			1
		DESIGN			1

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
		CONSTRUCTION			276
		EQUIPMENT			1
		TOTAL FUNDING	AGS	C	280C
33.11.		HAWAIIAN KAMALII, INC.			
		THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.			
		PLANS			1
		LAND			1
		DESIGN			1
		CONSTRUCTION			56
		EQUIPMENT			1
		TOTAL FUNDING	AGS	C	60C
33.12.		KA HALE A KE OLA HOMELESS RESOURCE CENTER			
		THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.			
		PLANS			1
		LAND			1
		DESIGN			1
		CONSTRUCTION			996
		EQUIPMENT			1
		TOTAL FUNDING	AGS	C	1,000C
33.13.		KA LIMA O MAUI, LTD.			
		THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.			
		PLANS			1
		LAND			1
		DESIGN			1
		CONSTRUCTION			246
		EQUIPMENT			1
		TOTAL FUNDING	AGS	C	250C
33.14.		KAHILU THEATER			
		THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.			
		PLANS			1
		LAND			1
		DESIGN			1
		CONSTRUCTION			246
		EQUIPMENT			1
		TOTAL FUNDING	AGS	C	250C
33.15.		KALANI HONUA INC.			
		THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.			
		PLANS			1
		LAND			1
		DESIGN			1
		CONSTRUCTION			96
		EQUIPMENT			1
		TOTAL FUNDING	AGS	C	100C

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL YEAR 2017-2018	FISCAL YEAR 2018-2019
33.16.		KALANIHALE			
		THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.			
		PLANS			1
		LAND			1
		DESIGN			1
		CONSTRUCTION			196
		EQUIPMENT			1
		TOTAL FUNDING	AGS	C	200C
33.17.		KALIHI-PALAMA HEALTH CENTER			
		THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.			
		PLANS			1
		LAND			1
		DESIGN			1
		CONSTRUCTION			196
		EQUIPMENT			1
		TOTAL FUNDING	AGS	C	200C
33.18.		KONA HISTORICAL SOCIETY			
		THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.			
		PLANS			1
		LAND			1
		DESIGN			1
		CONSTRUCTION			596
		EQUIPMENT			1
		TOTAL FUNDING	AGS	C	600C
33.19.		MAUI ARTS AND CULTURE CENTER			
		THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.			
		PLANS			1
		LAND			1
		DESIGN			1
		CONSTRUCTION			746
		EQUIPMENT			1
		TOTAL FUNDING	AGS	C	750C
33.20.		MAUI COUNTY COUNCIL OF THE BOY SCOUTS OF AMERICA, LIMITED			
		THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.			
		PLANS			1
		LAND			1
		DESIGN			1
		CONSTRUCTION			496
		EQUIPMENT			1
		TOTAL FUNDING	AGS	C	500C
33.21.		NORTH HAWAII COMMUNITY HOSPITAL			
		THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.			
		PLANS			1
		LAND			1

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
		DESIGN			1
		CONSTRUCTION			496
		EQUIPMENT			1
		TOTAL FUNDING	AGS	C	500 C
33.22.		PACIFIC GATEWAY CENTER			
		THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.			
		PLANS			1
		LAND			1
		DESIGN			1
		CONSTRUCTION			121
		EQUIPMENT			1
		TOTAL FUNDING	AGS	C	125 C
33.23.		ROYAL ORDER OF KAMEHAMEHA I, MAMALAHOA			
		THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.			
		PLANS			1
		LAND			1
		DESIGN			1
		CONSTRUCTION			98
		EQUIPMENT			1
		TOTAL FUNDING	AGS	C	102 C
33.24.		SHADE INSTITUTE			
		THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.			
		PLANS			1
		LAND			1
		DESIGN			1
		CONSTRUCTION			296
		EQUIPMENT			1
		TOTAL FUNDING	AGS	C	300 C
33.25.		THE STORYBOOK THEATRE OF HAWAII			
		THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.			
		PLANS			1
		LAND			1
		DESIGN			1
		CONSTRUCTION			46
		EQUIPMENT			1
		TOTAL FUNDING	AGS	C	50 C
33.26.		THE WAHIAWA CENTER FOR COMMUNITY HEALTH			
		THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.			
		PLANS			1
		LAND			1
		DESIGN			1
		CONSTRUCTION			496
		EQUIPMENT			1
		TOTAL FUNDING	AGS	C	500 C

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL YEAR 2017-2018	FISCAL YEAR 2018-2019
33.27.		WAHIAWA GENERAL HOSPITAL			
		THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.			
		PLANS			1
		LAND			1
		DESIGN			1
		CONSTRUCTION			796
		EQUIPMENT			1
		TOTAL FUNDING	AGS	C	800C
33.28.		WAIALUA COMMUNITY ASSOCIATION			
		THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.			
		PLANS			1
		LAND			1
		DESIGN			1
		CONSTRUCTION			72
		EQUIPMENT			1
		TOTAL FUNDING	AGS	C	76C
SUB201 - CITY AND COUNTY OF HONOLULU					
34.		KALIHI STREET, OAHU			
		PLANS AND DESIGN FOR ROAD IMPROVEMENTS, WIDENING AND REPAIR TO KALIHI STREET FROM KALAEPAA DRIVE TO 3080 KALIHI STREET.			
		PLANS			1
		DESIGN			1,499
		TOTAL FUNDING	CCH		1,500C
35.		PEDESTRIAN WALKWAYS, OAHU			
		PLANS, LAND ACQUISITION, DESIGN, AND CONSTRUCTION FOR PEDESTRIAN WALKWAYS, IMPROVEMENTS AND APPURTENANCES, OAHU.			
		PLANS			1
		LAND			12,997
		DESIGN			1
		CONSTRUCTION			1
		TOTAL FUNDING	TRN		13,000C

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL M YEAR O 2017-2018 F	FISCAL M YEAR O 2018-2019 F
SUB401 - COUNTY OF MAUI					
36.		UPCOUNTRY MAUI AGRICULTURAL PARK, MAUI			
		LAND ACQUISITION, DESIGN, AND CONSTRUCTION FOR THE DEVELOPMENT OF AN AGRICULTURAL PARK IN UPCOUNTRY MAUI, WITH MATCHING FUNDS FROM THE COUNTY OF MAUI; SCOPE OF THE PROJECT TO INCLUDE LAND ACQUISITION, ENGINEERING, AND IRRIGATION INFRASTRUCTURE; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES.			
		LAND		240	
		DESIGN		960	
		CONSTRUCTION		4,800	
		TOTAL FUNDING	COM	5,000 C	C
			COM	1,000 S	S
36.01.		OLD HALEAKALA HIGHWAY SIDEWALK			
		PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT OF SIDEWALK ALONG ONE SIDE OF OLD HALEAKALA HIGHWAY FROM MAKAWAO AVENUE TO PUKALANI STREET; PROVIDED THAT PARTIAL MATCHING FUNDS BE PROVIDED BY THE COUNTY OF MAUI.			
		PLANS			1
		LAND			1
		DESIGN			997
		CONSTRUCTION			3,000
		EQUIPMENT			1
		TOTAL FUNDING	COM	C	3,000 C
			COM	S	1,000 S
36.02.		UPCOUNTRY MAUI AGRICULTURAL PARK, MAUI			
		PLANS, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR A WATER PUMP FOR THE AGRICULTURAL PARK IN UPCOUNTRY MAUI; GROUND AND SITE IMPROVEMENTS; EQUIPMENT AND APPURTENANCES; THE LEGISLATURE FINDS AND DECLARES THAT THE APPROPRIATION IS IN THE PUBLIC INTEREST AND FOR THE PUBLIC'S HEALTH, SAFETY AND GENERAL WELFARE OF THE STATE.			
		PLANS			1
		DESIGN			498
		CONSTRUCTION			3,000
		EQUIPMENT			1
		TOTAL FUNDING	COM	C	3,500 C

CAPITAL IMPROVEMENT PROJECTS

ITEM NO.	CAPITAL PROJECT NO.	TITLE	EXPENDING AGENCY	APPROPRIATIONS (IN 000'S)	
				FISCAL YEAR 2017-2018	FISCAL YEAR 2018-2019
SUB501 - COUNTY OF KAUAI					
37.		BRYAN J. BAPTISTE SPORTS COMPLEX IMPROVEMENTS, KAUAI			
		PLANS AND CONSTRUCTION OF A NEW ANNOUNCER'S BOOTH, BLEACHERS, P.A. SYSTEM, AND ADA WALKWAYS.			
		PLANS		200	
		CONSTRUCTION		2,300	
		TOTAL FUNDING	COK	2,500C	C
38.		CAPTAIN COOK MEMORIAL PARK IMPROVEMENTS, KAUAI			
		DESIGN AND CONSTRUCTION OF NEW BACKSTOP, DUG OUTS, LIGHTING AND GRAND STAND AT THE CAPTAIN COOK MEMORIAL PARK, WAIMEA, KAUAI.			
		DESIGN		250	
		CONSTRUCTION		750	
		TOTAL FUNDING	COK	1,000C	C"

SECTION 6. Part V, Act 49, Session Laws of Hawaii 2017, is amended:

(1) By amending section 47 to read as follows:

"SECTION 47. Any law to the contrary notwithstanding, the appropriations under Act 119, Session Laws of Hawaii 2015, section 47, as amended and renumbered by Act 124, Session Laws of Hawaii 2016, section 5, in the amounts indicated or balances thereof, unallotted, allotted, unencumbered, or encumbered and unrequired, are hereby lapsed:

<u>Item No.</u>	<u>Amount</u>	<u>(MOF)</u>
<u>A-7.03</u>	<u>1,500,000</u>	<u>C</u>
<u>A-18.03</u>	<u>5,230,000</u>	<u>C</u>
<u>A-11.01</u>	<u>5,200,000</u>	<u>D</u>
<u>A-14</u>	<u>250,000</u>	<u>C</u>
<u>B-1</u>	<u>8,450,000</u>	<u>C</u>
<u>C-21</u>	<u>50,000,000</u>	<u>E</u>
<u>C-74</u>	<u>835,000</u>	<u>C</u>
<u>C-75</u>	<u>750,000</u>	<u>C</u>
<u>C-75.02</u>	<u>480,000</u>	<u>C</u>
<u>C-116.04</u>	<u>2,000,000</u>	<u>C</u>
<u>D-7.04</u>	<u>3,000,000</u>	<u>C</u>
<u>F-3.01</u>	<u>4,000,000</u>	<u>C</u>
<u>G-81</u>	<u>[\$]4,875,000</u>	<u>C</u>
<u>G-6</u>	<u>50,000</u>	<u>C</u>
<u>G-7</u>	<u>180,000</u>	<u>C</u>
<u>G-8</u>	<u>180,000</u>	<u>C</u>
<u>G-10.03</u>	<u>500,000</u>	<u>C</u>
<u>G-11</u>	<u>30,000</u>	<u>C</u>
<u>G-11.01</u>	<u>150,000</u>	<u>C</u>
<u>G-12</u>	<u>202,000</u>	<u>C</u>
<u>G-17.02</u>	<u>1,596,557</u>	<u>C</u>
<u>G-19</u>	<u>2,373,000</u>	<u>C</u>
<u>G-19.01</u>	<u>140,000</u>	<u>C</u>

<u>G-21</u>	<u>150,000</u>	<u>C</u>
<u>G-22</u>	<u>56,000</u>	<u>C</u>
<u>G-22.01</u>	<u>200,000</u>	<u>C</u>
<u>G-24</u>	<u>391,320</u>	<u>C</u>
<u>G-25</u>	<u>5,000</u>	<u>C</u>
<u>G-29.02</u>	<u>12,000</u>	<u>C</u>
<u>G-31.02</u>	<u>186,020</u>	<u>C</u>
<u>G-32.01</u>	<u>6,000</u>	<u>C</u>
<u>G-37</u>	<u>90,000</u>	<u>C</u>
<u>G-38</u>	<u>5,000</u>	<u>C</u>
<u>G-38.01</u>	<u>536,010</u>	<u>C</u>
<u>G-4</u>	<u>389,000</u>	<u>C</u>
<u>G-44.02</u>	<u>65,000</u>	<u>C</u>
<u>G-5</u>	<u>1,000</u>	<u>C</u>
<u>G-51</u>	<u>2,175</u>	<u>C</u>
<u>G-52.01</u>	<u>20,000</u>	<u>C</u>
<u>G-54</u>	<u>500,000</u>	<u>C</u>
<u>G-55</u>	<u>50,000</u>	<u>C</u>
<u>G-56</u>	<u>2,622,676</u>	<u>C</u>
<u>G-57.02</u>	<u>1,000</u>	<u>C</u>
<u>G-58</u>	<u>1,000</u>	<u>C</u>
<u>G-58.01</u>	<u>25,000</u>	<u>C</u>
<u>G-59.01</u>	<u>300,000</u>	<u>C</u>
<u>G-6</u>	<u>1,000</u>	<u>C</u>
<u>G-62</u>	<u>2,750,000</u>	<u>C</u>
<u>G-62.01</u>	<u>24,000</u>	<u>C</u>
<u>G-65</u>	<u>20,000</u>	<u>C</u>
<u>G-69</u>	<u>30,000</u>	<u>C</u>
<u>G-70</u>	<u>40,000</u>	<u>C</u>
<u>G-70.02</u>	<u>1,000,000</u>	<u>C</u>
<u>G-71.01</u>	<u>30,000</u>	<u>C</u>
<u>G-72</u>	<u>120,000</u>	<u>C</u>
<u>G-74</u>	<u>40,000</u>	<u>C</u>
<u>G-76</u>	<u>2,500,000</u>	<u>C</u>
<u>G-77</u>	<u>5,500,000</u>	<u>C</u>
<u>I-0.10</u>	<u>2,000,000</u>	<u>C</u>
<u>I-0.11</u>	<u>350,000</u>	<u>C</u>
<u>I-0.13</u>	<u>3,145,000</u>	<u>C</u>
<u>I-1.01</u>	<u>13,210,000</u>	<u>C</u>
<u>I-1.02</u>	<u>13,210,000</u>	<u>C</u>
<u>I-1.03</u>	<u>6,320,000</u>	<u>C</u>
<u>I-1.04</u>	<u>17,500,000</u>	<u>C</u>
<u>K-2</u>	<u>30,000,000</u>	<u>C</u>
<u>K-3.01</u>	<u>15,000,000</u>	<u>C</u>
<u>K-7</u>	<u>8,512,000</u>	<u>C””</u>

(2) By adding a new section to read as follows:

“SECTION 47.1 Any law to the contrary notwithstanding, the appropriations under Act 143, Session Laws of Hawaii 2015, section 8, in the amount indicated or balance thereof, unallotted, allotted, unencumbered, or encumbered and unrequired, are hereby lapsed:

<u>Section</u>	<u>Amount</u>	<u>(MOF)</u>
<u>8</u>	<u>\$25,000,000</u>	<u>D”</u>

(3) By adding a new section to read as follows:

“SECTION 47.2 Any law to the contrary notwithstanding, the appropriations under Act 134, Session Laws of Hawaii 2013, section 39, as amended and renumbered by Act 122, Session Laws of Hawaii 2014, section 5, in the amounts indicated or balances thereof, unallotted, allotted, unencumbered, or encumbered and unrequired, are hereby lapsed:

<u>Item No.</u>	<u>Amount</u>	<u>(MOF)</u>
<u>A-13</u>	<u>1,500,000</u>	<u>C</u>
<u>A-13</u>	<u>1,500,000</u>	<u>N”</u>

(4) By adding a new section to read as follows:

“SECTION 47.3 Any law to the contrary notwithstanding, the appropriations under Act 164, Session Laws of Hawaii 2011, section 36, as amended and renumbered by Act 106, Session Laws of Hawaii 2012, section 5, in the amounts indicated or balances thereof, unallotted, allotted, unencumbered, or encumbered and unrequired, are hereby lapsed:

<u>Item No.</u>	<u>Amount</u>	<u>(MOF)</u>
<u>A-5</u>	<u>1,500,000</u>	<u>N</u>
<u>A-5</u>	<u>1,001,942</u>	<u>C</u>
<u>H-3</u>	<u>2,200,000</u>	<u>C”</u>

SECTION 7. Part VII, Act 49, Session Laws of Hawaii 2017, is amended:

(1) By repealing section 57:

~~[“SECTION 57. After the objectives and the purposes of appropriations made in this Act for capital investment purposes from the state educational facilities improvement special fund have been met, any unrequired balances shall be transferred to the special funded project adjustment fund for state educational facilities appropriated in part II and described further in part IV of this Act, and shall be considered a supplementary appropriation thereto; provided that the governor shall submit a report to the legislature of all uses of this authority for the previous twelve month period from December 1 to November 30 no later than thirty days prior to the convening of the regular sessions of 2018 and 2019.”]~~

(2) By repealing section 58:

~~[“SECTION 58. In the event that currently authorized appropriations specified for capital investment purposes listed in this Act or in any other Act currently authorized by the legislature are insufficient, and where the source of funding for the project is designated as the state educational facilities improvement special fund, the governor may make supplemental allotments from the special funded project adjustment fund for state educational facilities; provided that the supplemental allotments from the special funded project adjustment fund for state educational facilities shall not be used to increase the scope of the project and may only be made to supplement currently authorized capital investment project cost elements; provided further that the governor shall submit a report to the legislature of all uses of this authority for the previous twelve month period from December 1 to November 30 no later than thirty days prior to the convening of the regular sessions of 2018 and 2019.”]~~

(3) By amending section 59 as follows:

“SECTION 59. Any provision of this Act to the contrary notwithstanding, the appropriations made for capital improvement projects authorized under this Act shall not lapse at the end of the fiscal biennium for which the appropriation is made; provided that all appropriations made to be expended in fiscal

biennium 2017-2019 which are unencumbered as of June 30, 2020, shall lapse as of that date; provided further that this lapsing date shall not apply to:

~~(1) Appropriations for projects where the means of financing is the state educational facilities improvement special fund, where such appropriations have been authorized for more than three years for the construction or acquisition of public school facilities; or~~

~~(2) Non-general~~ non-general fund appropriations for projects described in part IV of this Act where such appropriations have been deemed necessary to qualify for federal aid financing and reimbursement and are unencumbered as of June 30, 2024, shall lapse as of that date.”

(4) By amending section 72 as follows:

“SECTION 72. Any provision of this Act to the contrary notwithstanding, the governor may approve the extension of the lapse dates for federal fund or other federal fund appropriations and appropriations of other means of financing, except general funds, deemed necessary to qualify for federal aid financing and/or reimbursement, provided in this Act or authorized by the governor pursuant to section ~~[72]~~ 71 of this Act as necessary to meet the intent of the federal grant awards.”

(5) By adding a new section to read as follows:

“SECTION 92.1 Provided that if the amount of settlements and judgments approved by the legislature in the final version of Senate Bill No. 2740,⁵ Making Appropriations for Claims Against the State, Its Officers, or Its Employees, exceeds program allocations for fiscal year 2017-2018 or fiscal year 2018-2019, as applicable, for the purposes of meeting such obligations:

- (1) A department, with the approval of the governor, may utilize allocated savings determined to be available from any other program within the department; and
- (2) Unless otherwise provided by general law, the governor may transfer funds between allocations of appropriations within a department for the purposes of paying settlements and judgments of a program.”

SECTION 8. MISCELLANEOUS. If any portion of this Act or its application to any person, entity, or circumstance is held to be invalid for any reason, then the legislature declares that the remainder of the Act and each and every other provision thereof shall not be affected thereby. If any portion of a specific appropriation is held to be invalid for any reason, the remaining portion shall be expended to fulfill the objective of such appropriation to the extent possible.

SECTION 9. In the event manifest clerical, typographical, or other mechanical errors are found in this Act, the governor is hereby authorized to correct such errors.

SECTION 10. Material to be repealed is bracketed and stricken. New statutory material is underscored. In printing this Act, the revisor of statutes need not include the bracketed material or the underscoring.⁶

SECTION 11. Nothing in this Act shall affect the validity or continuing effectiveness of any provisions of Act 49, Session Laws of Hawaii 2017, not repealed or modified by this Act.

SECTION 12. EFFECTIVE DATE. This Act shall take effect upon its approval.

(Approved June 22, 2018.)

Notes

1. Prior to amendment “,” appeared here.
2. Prior to amendment “position ceilings” appeared here.
3. Comma should be underscored.
4. So in original.
5. SB2740 SD1, HD2, CD1 became Act 24.
6. Edited pursuant to HRS §23G-16.5.

ACT 54

H.B. NO. 1604

A Bill for an Act Relating to State Bonds.

Be It Enacted by the Legislature of the State of Hawaii:

PART I

SECTION 1. Declaration of findings with respect to the general obligation bonds authorized by this Act. Pursuant to article VII, section 13, of the state constitution, which states: “Effective July 1, 1980, the legislature shall include a declaration of findings in every general law authorizing the issuance of general obligation bonds that the total amount of principal and interest, estimated for such bonds and for all bonds authorized and unissued and calculated for all bonds issued and outstanding, will not cause the debt limit to be exceeded at the time of issuance”, the legislature finds and declares as follows:

- (1) Limitation on general obligation debt. The debt limit of the State is set forth in article VII, section 13, of the state constitution, which states in part: “General obligation bonds may be issued by the State; provided that such bonds at the time of issuance would not cause the total amount of principal and interest payable in the current or any future fiscal year, whichever is higher, on such bonds and on all outstanding general obligation bonds to exceed: a sum equal to twenty percent of the average of the general fund revenues of the State in the three fiscal years immediately preceding such issuance until June 30, 1982; and thereafter, a sum equal to eighteen and one-half percent of the average of the general fund revenues of the State in the three fiscal years immediately preceding such issuance.” Article VII, section 13, of the state constitution also provides that in determining the power of the State to issue general obligation bonds, certain bonds are excludable, including “[r]eimbursable general obligation bonds issued for a public undertaking, improvement or system but only to the extent that reimbursements to the general fund are in fact made from the net revenue, or net user tax receipts, or combination of both, as determined for the immediately preceding fiscal year” and bonds constituting instruments of indebtedness under which the State incurs a contingent liability as a guarantor, but only to the extent the principal amount of those bonds does not exceed seven per cent of the principal amount of outstanding general obligation bonds not otherwise excluded under said article VII, section 13, of the state constitution.
- (2) Actual and estimated debt limits. The limit on principal and interest of general obligation bonds issued by the State, actual for fiscal year 2017-2018 and estimated for each fiscal year from 2018-2019 to 2020-2021, is as follows:

<u>Fiscal Year</u>	<u>Net General Fund Revenues</u>	<u>Debt Limit</u>
2014-2015	\$6,569,327,192	
2015-2016	7,075,981,186	
2016-2017	7,346,008,625	
2017-2018	7,511,556,000	\$1,294,464,549
2018-2019	7,712,224,000	1,352,568,658
2019-2020	8,033,135,000	1,391,803,632
2020-2021	(not applicable)	1,434,176,425

For fiscal years 2017-2018, 2018-2019, 2019-2020, and 2020-2021, respectively, the debt limit is derived by multiplying the average of the net general fund revenues for the three preceding fiscal years by eighteen and one-half per cent. The net general fund revenues for fiscal years 2014-2015, 2015-2016, and 2016-2017 are actual, as certified by the director of finance in the Statement of the Debt Limit of the State of Hawaii as of July 1, 2017, dated November 17, 2017. The net general fund revenues for fiscal years 2017-2018 to 2019-2020 are estimates, based on general fund revenue estimates made as of March 15, 2018, by the council on revenues, the body assigned by Article VII, Section 7, of the State Constitution to make such estimates, and based on estimates made by the department of budget and finance of those receipts that cannot be included as general fund revenues for the purpose of calculating the debt limit, all of which estimates the legislature finds to be reasonable.

- (3) Principal and interest on outstanding bonds applicable to the debt limit.
 - (A) According to the department of budget and finance, the total amount of principal and interest on outstanding general obligation bonds, after the exclusions permitted by article VII, section 13, of the state constitution, for determining the power of the State to issue general obligation bonds within the debt limit as of April 1, 2018, is as follows for fiscal year 2018-2019 to fiscal year 2024-2025:

<u>Fiscal Year</u>	<u>Principal and Interest</u>
2018-2019	\$774,585,675
2019-2020	786,230,762
2020-2021	721,950,216
2021-2022	706,734,112
2022-2023	688,397,734
2023-2024	674,529,233
2024-2025	635,077,597

The department of budget and finance further reports that the amount of principal and interest on outstanding bonds applicable to the debt limit generally continues to decline each year from fiscal year 2025-2026 to fiscal year 2037-2038 when the final installment of \$54,951,750 shall be due and payable.

- (B) The department of budget and finance further reports that the outstanding principal amount of bonds constituting instruments of indebtedness under which the State may incur a contingent liability as a guarantor is \$233,500,000, all or part of which is excludable in determining the power of the State to

- issue general obligation bonds, pursuant to article VII, section 13, of the state constitution.
- (4) Amount of authorized and unissued general obligation bonds and guaranties and proposed bonds and guaranties.
- (A) As calculated from the state comptroller's bond fund report as of March 31, 2018, adjusted for:
- (i) Appropriations to be funded by general obligation bonds or reimbursable general obligation bonds as provided in Act 49, Session Laws of Hawaii 2017 (the General Appropriations Act of 2017), to be expended in fiscal year 2018-2019, adjusted for additional appropriations provided in House Bill No. 1900, H.D. 1, S.D. 2, C.D. 1¹ (the Supplemental Appropriations Act of 2018);
 - (ii) Lapses as provided in House Bill No. 1900, H.D. 1, S.D. 2, C.D. 1¹ (the Supplemental Appropriations Act of 2018);
 - (iii) Appropriations to be funded by general obligation bonds or reimbursable general obligation bonds as provided in Act 195, Session Laws of Hawaii 2017 (the Judiciary Appropriations Act of 2017), to be expended in fiscal year 2018-2019, adjusted for additional appropriations provided in Senate Bill No. 2150, S.D. 2, H.D. 1, C.D. 1² (the Judiciary Supplemental Appropriations Act of 2018); and
 - (iv) Lapses as provided in Senate Bill No. 2150, S.D. 2, H.D. 1, C.D. 1² (the Judiciary Supplemental Appropriations Act of 2018);
- the total amount of authorized but unissued general obligation bonds is \$2,312,750,799. The total amount of general obligation bonds authorized in this Act is \$717,809,000. The total amount of general obligation bonds previously authorized and unissued, as adjusted, and the general obligation bonds authorized in this Act is \$3,030,559,799.
- (B) As reported by the department of budget and finance the outstanding principal amount of bonds constituting instruments of indebtedness under which the State may incur a contingent liability as a guarantor is \$233,500,000, all or part of which is excludable in determining the power of the State to issue general obligation bonds, pursuant to Article VII, Section 13, of the State Constitution.
- (5) Proposed general obligation bond issuance. As reported therein for the fiscal years 2018-2019, 2019-2020, and 2020-2021, the State proposes to issue \$505,000,000 in general obligation bonds during the first half of fiscal year 2018-2019, \$475,000,000 in general obligation bonds during the second half of fiscal year 2018-2019, \$500,000,000 in general obligation bonds during the first half of fiscal year 2019-2020, \$520,000,000 in general obligation bonds during the second half of fiscal year 2019-2020, \$500,000,000 in general obligation bonds during the first half of fiscal year 2020-2021, and \$550,000,000 in general obligation bonds during the second half of fiscal year 2020-2021. Generally, it has been the practice of the State to issue twenty-year serial bonds with principal repayments beginning in the third year, the bonds payable in substantially equal annual installments of principal and interest payment with interest payments commencing six months from the date of issuance and

being paid semi-annually thereafter. It is assumed that this practice will continue to be applied to the bonds that are proposed to be issued.

- (6) Sufficiency of proposed general obligation bond issuance to meet the requirements of authorized and unissued bonds, as adjusted, and bonds authorized by this Act. From the schedule reported in paragraph (5), the total amount of general obligation bonds that the State proposes to issue during the fiscal years 2018-2019 to 2019-2020 is \$2,000,000,000. An additional \$1,050,000,000 is proposed to be issued in fiscal year 2020-2021. The total amount of \$2,000,000,000 that is proposed to be issued through fiscal year 2019-2020 is sufficient to meet the requirements of the authorized and unissued bonds, as adjusted, the total amount of which is \$3,030,559,799 reported in paragraph (4), except for \$1,030,559,799. It is assumed that the appropriations to which an additional \$1,030,559,799 in bond issuance needs to be applied will have been encumbered as of June 30, 2020. The \$1,050,000,000 that is proposed to be issued in fiscal year 2020-2021 will be sufficient to meet the requirements of the June 30, 2020, encumbrances in the amount of \$1,030,559,799. The amount of assumed encumbrances as of June 30, 2020, is reasonable and conservative, based upon an inspection of June 30 encumbrances of the general obligation bond fund as reported by the state comptroller. Thus, taking into account the amount of authorized and unissued bonds, as adjusted, and the bonds authorized by this Act versus the amount of bonds proposed to be issued by June 30, 2020, and the amount of June 30, 2020, encumbrances versus the amount of bonds proposed to be issued in fiscal year 2020-2021, the legislature finds that in the aggregate, the amount of bonds proposed to be issued is sufficient to meet the requirements of all authorized and unissued bonds and the bonds authorized by this Act.
- (7) Bonds excludable in determining the power of the State to issue bonds. As noted in paragraph (1), certain bonds are excludable in determining the power of the State to issue general obligation bonds.
 - (A) General obligation reimbursable bonds can be excluded under certain conditions. It is not possible to make a conclusive determination as to the amount of reimbursable bonds which are excludable from the amount of each proposed bond issued because:
 - (i) It is not known exactly when projects for which reimbursable bonds have been authorized in prior acts and in this Act will be implemented and will require the application of proceeds from a particular bond issue; and
 - (ii) Not all reimbursable general obligation bonds may qualify for exclusion.

However, the legislature notes that with respect to the principal and interest on outstanding general obligation bonds, according to the department of budget and finance, the average proportion of principal and interest that is excludable each year from the calculation against the debt limit is 0.82 per cent for approximately ten years from fiscal year 2017-2018 to fiscal year 2026-2027. For the purpose of this declaration, the assumption is made that 0.75 per cent of each bond issue will be

excludable from the debt limit, an assumption that the legislature finds to be reasonable and conservative.

- (B) Bonds constituting instruments of indebtedness under which the State incurs a contingent liability as a guarantor can be excluded, but only to the extent the principal amount of those guaranties does not exceed seven per cent of the principal amount of outstanding general obligation bonds not otherwise excluded under subparagraph (A) of this paragraph (7); and provided that the State shall establish and maintain a reserve in an amount in reasonable proportion to the outstanding loans guaranteed by the State as provided by law. According to the department of budget and finance and the assumptions presented herein, the total principal amount of outstanding general obligation bonds and general obligation bonds proposed to be issued, which are not otherwise excluded under article VII, section 13, of the state constitution for the fiscal years 2017-2018, 2018-2019, 2019-2020, and 2020-2021, are as follows:

<u>Fiscal Year</u>	<u>Total amount of general obligation bonds not otherwise excluded by article VII, section 13 of the state constitution</u>
2017-2018	\$7,238,578,064
2018-2019	8,211,233,064
2019-2020	9,223,583,064
2020-2021	10,265,708,064

Based on the foregoing and based on the assumption that the full amount of a guaranty is immediately due and payable when such guaranty changes from a contingent liability to an actual liability, the aggregate principal amount of the portion of the outstanding guaranties and the guaranties proposed to be incurred, which does not exceed seven per cent of the average amount set forth in the last column of the above table and for which reserve funds have been or will have been established as heretofore provided, can be excluded in determining the power of the State to issue general obligation bonds. As it is not possible to predict with a reasonable degree of certainty when a guaranty will change from a contingent liability to an actual liability, it is assumed in conformity with fiscal conservatism and prudence, that all guaranties not otherwise excluded pursuant to article VII, section 13, of the state constitution will become due and payable in the same fiscal year in which the greatest amount of principal and interest on general obligation bonds, after exclusions, occurs. Thus, based on such assumptions and on the determination in paragraph (8), all of the outstanding guaranties can be excluded.

- (8) Determination whether the debt limit will be exceeded at the time of issuance. From the foregoing and on the assumption that all of the bonds identified in paragraph (5) will be issued at an interest rate not to exceed 5.75 per cent in fiscal years 2019 through 2021, it can be determined from the following schedule that the bonds that are proposed to be issued, which include all authorized and unissued bonds previously authorized, as adjusted, general obligation bonds,

and instruments of indebtedness under which the State incurs a contingent liability as a guarantor authorized in this Act, will not cause the debt limit to be exceeded at the time of such issuance:

<u>Time of Issuance and Amount to be Counted Against Debt Limit</u>	<u>Debt Limit at Time of Issuance</u>	<u>Greatest Amount and Year of Highest Principal and Interest on Bonds and Guaranties</u>
1st half FY 2018-2019 \$501,215,000	1,352,568,658	806,552,645 (2019-2020)
2nd half FY 2018-2019 \$471,440,000	1,352,568,658	806,552,645 (2019-2020)
1st half FY 2019-2020 \$496,250,000	1,391,803,632	829,332,457 (2021-2022)
2nd half FY 2019-2020 \$516,100,000	1,391,803,632	875,587,775 (2022-2023)
1st half FY 2020-2021 \$496,250,000	1,434,176,425	908,222,905 (2023-2024)
2nd half FY 2020-2021 \$545,875,000	1,434,176,425	957,695,717 (2023-2024)

- (9) Overall and concluding finding. From the facts, estimates, and assumptions stated in this declaration of findings, the conclusion is reached that the total amount of principal and interest estimated for the general obligation bonds authorized in this Act, and for all bonds authorized and unissued, and calculated for all bonds issued and outstanding, and all guaranties, will not cause the debt limit to be exceeded at the time of issuance.

SECTION 2. The legislature finds the bases for the declaration of findings set forth in this Act are reasonable. The assumptions set forth in this Act with respect to the principal amount of general obligation bonds that will be issued, the amount of principal and interest on reimbursable general obligation bonds that are assumed to be excludable, and the assumed maturity structure shall not be deemed to be binding, it being the understanding of the legislature that such matters must remain subject to substantial flexibility.

SECTION 3. Authorization for issuance of general obligation bonds. General obligation bonds may be issued as provided by law in an amount that may be necessary to finance projects authorized in House Bill No. 1900, H.D. 1, S.D. 2, C.D. 1¹ (the Supplemental Appropriations Act of 2018) and Senate Bill No. 2150, S.D. 2, H.D. 1, C.D. 1² (the Judiciary Supplemental Appropriations Act of 2018); passed by the legislature during this regular session of 2018 and designated to be financed from the general obligation bond fund and from the general obligation bond fund with debt service cost to be paid from special funds; provided that the sum total of general obligation bonds so issued shall not exceed \$717,809,000.

Any law to the contrary notwithstanding, general obligation bonds may be issued from time to time in accordance with section 39-16, Hawaii Revised Statutes, in such principal amount as may be required to refund any general obligation bonds of the State of Hawaii heretofore or hereafter issued pursuant to law.

PART II

SECTION 4. House Bill No. 1900, House Draft 1, Senate Draft 2, Conference Draft 1,¹ Regular Session of 2018, is amended by amending section 5 as follows:

1. By amending the titles and descriptions of items B.12.01., to B.12.21., to read:

“12.01. BOY SCOUTS OF AMERICA, ALOHA COUNCIL

PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR RENOVATIONS AT CAMP HONOKAIA AND CAMP ALAN FAYE. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.

12.02. BOYS ~~[AND]~~ & GIRLS CLUB OF MAUI, INC.

PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR CLUBHOUSE AT PAUKUKALO. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.

12.03. GIRL SCOUTS OF ~~[HAWAII]~~ HAWAII

PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR AN ACCESS ROAD AND DRIVEWAY IMPROVEMENTS FOR CAMP PAUMALU. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.

12.04. HABITAT FOR HUMANITY, HAWAII ISLAND, INC.

PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR AFFORDABLE HOUSING FOR LOW-INCOME FAMILIES IN WEST HAWAII. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.

12.05. HABITAT FOR HUMANITY, MAUI, INC.

PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR AFFORDABLE HOUSING. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.

12.06. HALE MAKUA HEALTH SERVICES

PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR ELDER AND DISABLED RESIDENTS. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.

12.07. HAMAKUA YOUTH FOUNDATION, INC

PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR RENOVATIONS AND IMPROVEMENTS TO PROPERTY AT 45-3400 MAMANE STREET, HONOKAA. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.

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- 12.08. HAWAII ISLAND HUMANE SOCIETY S.P.C.A.
PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR AN ANIMAL COMMUNITY CENTER. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.
- 12.09. HAWAII ISLAND PORTUGUESE CHAMBER OF COMMERCE CULTURAL AND EDUCATIONAL CENTER
PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR A PORTUGUESE CULTURAL AND EDUCATIONAL CENTER. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.
- 12.10. HAWAIIAN HUMANE SOCIETY
PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR A HUMANE SOCIETY CAMPUS IN WEST OAHU. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.
- 12.11. HONOLULU HABITAT FOR HUMANITY
PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR AFFORDABLE MULTI-FAMILY HOUSING. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.
- 12.12. [~~KAUAI~~] KAUA'I ECONOMIC OPPORTUNITY, [~~INC.~~] INCORPORATED
PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR FOOD SERVICE FACILITY. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.
- 12.13. [~~KAUAI~~] HABITAT FOR HUMANITY INC.
PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR AFFORDABLE HOUSING. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.
- 12.14. KAUAI [~~PHILIPPINE~~] PHILIPPINE CULTURAL CENTER
PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR PHOTOVOLTAIC SYSTEM. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.
- 12.15. [~~LAAKEA~~] L'A'AKEA FOUNDATION
PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR HOUSING LOW INCOME AND INTELLECTUALLY/DEVELOPMENTALLY DISABLED ADULTS. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.

- 12.16. MAUI ECONOMIC OPPORTUNITY, ~~HNE~~ INC.
PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR TRANSIT FACILITY MAINTENANCE SHOP. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.
- 12.17. MAUI FAMILY ~~YMCA~~ YOUNG MEN'S CHRISTIAN ASSOCIATION
PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR A GYMNASIUM. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.
- 12.18. ONE NINETY NINE INITIATIVE
PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR HOUSING FOR HOMELESS. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.
- 12.19. SPECIAL EDUCATION CENTER OF HAWAII
PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR DRIVEWAY IMPROVEMENTS AND PURCHASE OF NEW VEHICLES FOR TRANSPORTATION PROGRAM. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.
- 12.20. THE MEDIATION CENTER OF THE PACIFIC, INC
PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR MEDIATION CENTER. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.
- 12.21. YOUNG MEN'S CHRISTIAN ASSOCIATION OF HONOLULU
PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR RETAINING WALL. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.”

2. By amending the titles and descriptions of items E.17.01., to E.17.04., to read:

- “17.01. BLOOD BANK OF HAWAII
PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR A NEW BLOOD CENTER FACILITY CONTINGENT UPON THE CITY AND COUNTY OF HONOLULU PROVIDING MATCHING FUNDS. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.

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17.02. GREGORY HOUSE PROGRAMS

PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR ACQUISITION OF PROPERTY AT 1096 AND 1098 YOUNG STREET. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.

17.03. REHABILITATION HOSPITAL OF THE PACIFIC

PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR HVAC SYSTEM. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.

17.04. THE ALCOHOLIC REHABILITATION SERVICES OF HAWAII INC

PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR HVAC SYSTEM. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.”

3. By amending the title and description of item F.4.01., to read:

“4.01. PACIFIC FLEET SUBMARINE [MEMORIAL ASSOCIATION, INC.] MUSEUM & PARK

PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR COMFORT STATION AND WALKWAY IMPROVEMENTS. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.”

4. By amending the titles and descriptions of items F.29.07., to F.29.10., to read:

“29.07. KAILAPA COMMUNITY ASSOCIATION

PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR KAILAPA COMMUNITY RESOURCE CENTER. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.

29.08. ~~[LA'I'OPUA]~~ LA'I'OPUA 2020

PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR COMMUNITY CENTER AT LA'OPUA. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.

29.09. WAIOHULI HAWAIIAN HOMESTEADERS ASSOCIATION, INC.

PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR IMPROVEMENTS TO COMMUNITY CENTER AND PARK FACILITIES. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.

29.10. WAIKIKI COMMUNITY CENTER

PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR RENOVATIONS AND IMPROVEMENTS AT THE CENTER. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.

5. By amending the titles and descriptions of items H.3.01., and H.3.02., to read:

“3.01. [~~HAWAII~~] HAWAII NATURE CENTER, INC

PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR RENOVATIONS AND IMPROVEMENTS TO MAUI AND OAHU CAMPUS FACILITIES. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.

3.02. MOANALUA GARDENS FOUNDATION, INC

PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR A MASTER PLAN FOR MOANALUA VALLEY. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.

6. By amending the titles and descriptions of items K.33.02., to K.33.28., to read:

“33.02. ALOHA MEDICAL MISSION

PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR A NEW DENTAL CLINIC. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.

33.03. ALTERNATIVE STRUCTURES INTERNATIONAL

PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR A COMMUNITY KITCHEN. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.

33.04. CHILDREN’S DISCOVERY CENTER

PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR CHILDREN’S DISCOVERY CENTER RENOVATIONS, ACCESS IMPROVEMENTS, AND SAFETY IMPROVEMENTS. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.

33.05. DAUGHTERS OF [~~HAWAII~~] HAWAII

PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR QUEEN EMMA SUMMER PALACE RENOVATIONS. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.

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- 33.06. DIAMOND HEAD THEATRE
PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR A NEW THEATER. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.
- 33.07. FRIENDS OF KING [KAUMUALI] KAUMUALI'
PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR THE CREATION AND INSTALLATION OF A STATUE OF KING KAUMUALII AND PEDESTAL AT WAIMEA BAY. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.
- 33.08. FRIENDS OF KONA PACIFIC PUBLIC CHARTER SCHOOL
PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR A COMMUNITY KITCHEN. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.
- 33.09. FRIENDS OF THE VOLCANO SCHOOL OF ARTS & SCIENCES
PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR EARLY LEARNING CENTER CLASSROOMS. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.
- 33.10. HAWAII COUNTY ECONOMIC OPPORTUNITY COUNCIL (HCEOC)
PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR MECHANICAL REPAIR FACILITY AND TRAINING SITE. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.
- 33.11. HAWAIIAN KAMALII, INC.
PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR SAFETY AND SECURITY IMPROVEMENTS OF CANOE CLUB FACILITIES AT HOALOHA PARK. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.
- 33.12. KA HALE A KE OLA HOMELESS RESOURCE [CENTER] CENTERS, INC.
PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR PERMANENT SUPPORTIVE HOUSING. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.
- 33.13. KA LIMA O MAUI, LTD.
PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR MULTI-PURPOSE BUILDING. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.

- 33.14. KAHILU [THEATER] THEATRE FOUNDATION
PLANS, LAND ACQUISITION, DESIGN,
CONSTRUCTION, AND EQUIPMENT FOR
IMPROVEMENTS AND RENOVATIONS
FOR THEATER BUILDING. THIS PROJECT
QUALIFIES AS A GRANT, PURSUANT TO
CHAPTER 42F, HRS.
- 33.15. KALANI HONUA INC.
PLANS, LAND ACQUISITION, DESIGN,
CONSTRUCTION, AND EQUIPMENT FOR
CONVERTING LARGE-CAPACITY CESSPOOL
TO SEPTIC SYSTEM. THIS PROJECT
QUALIFIES AS A GRANT, PURSUANT TO
CHAPTER 42F, HRS.
- 33.16. KALANIHALE
PLANS, LAND ACQUISITION, DESIGN,
CONSTRUCTION, AND EQUIPMENT FOR
MILOLII COMMUNITY ENRICHMENT
AND HISTORICAL CENTER. THIS PROJECT
QUALIFIES AS A GRANT, PURSUANT TO
CHAPTER 42F, HRS.
- 33.17. KALIHI-PALAMA HEALTH CENTER (HALE HO'OLA HOU)
PLANS, LAND ACQUISITION, DESIGN,
CONSTRUCTION, AND EQUIPMENT FOR
CLINICAL SPACE FOR WOMEN AND
CHILDREN'S PROGRAMS. THIS PROJECT
QUALIFIES AS A GRANT, PURSUANT TO
CHAPTER 42F, HRS.
- 33.18. KONA HISTORICAL SOCIETY
PLANS, LAND ACQUISITION, DESIGN,
CONSTRUCTION, AND EQUIPMENT FOR A
GALLERY AND MUSEUM. THIS PROJECT
QUALIFIES AS A GRANT, PURSUANT TO
CHAPTER 42F, HRS.
- 33.19. MAUI ARTS [~~AND CULTURE~~] & CULTURAL CENTER
PLANS, LAND ACQUISITION, DESIGN,
CONSTRUCTION, AND EQUIPMENT TO
CONTINUE IMPLEMENTATION OF THE
MAUI ARTS AND CULTURAL CENTER'S
MASTER PLAN. THIS PROJECT QUALIFIES
AS A GRANT, PURSUANT TO CHAPTER 42F,
HRS.
- 33.20. MAUI COUNTY COUNCIL OF THE BOY SCOUTS OF AMERICA,
LIMITED
PLANS, LAND ACQUISITION, DESIGN,
CONSTRUCTION, AND EQUIPMENT FOR A
NEW DINING HALL AT CAMP MALUHIA.
THIS PROJECT QUALIFIES AS A GRANT,
PURSUANT TO CHAPTER 42F, HRS.

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- 33.21. NORTH HAWAII COMMUNITY HOSPITAL
PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR EXPANSION OF THE EMERGENCY DEPARTMENT. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.
- 33.22. PACIFIC GATEWAY CENTER
PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR PUMP STATION IMPROVEMENTS. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.
- 33.23. ROYAL ORDER OF KAMEHAMEHA I, MAMALAHOA
PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR RENOVATION AND IMPROVEMENTS TO KAMEHAMEHA HALL. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.
- 33.24. SHADE INSTITUTE
PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR WAIPIO POINT ACCESS ROAD MULTIMODAL AND SAFETY IMPROVEMENT PROJECT. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.
- 33.25. THE STORYBOOK THEATRE OF HAWAII
PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR RENOVATION OF THEATRE. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.
- 33.26. THE WAHIAWA CENTER FOR COMMUNITY HEALTH
PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR THE RENOVATION AND OUTFITTING OF SERVICE DELIVERY. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.
- 33.27. WAHIAWA GENERAL HOSPITAL
PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR PATIENT CARE FACILITIES. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.
- 33.28. WAIALUA COMMUNITY ASSOCIATION
PLANS, LAND ACQUISITION, DESIGN, CONSTRUCTION, AND EQUIPMENT FOR COMMERCIAL KITCHEN AND INSTALLATION OF NEW GYMNASIUM FLOOR. THIS PROJECT QUALIFIES AS A GRANT, PURSUANT TO CHAPTER 42F, HRS.”

SECTION 5. Nothing in this part shall be construed to amend the provisions of House Bill No. 1900, House Draft 1, Senate Draft 2, Conference Draft 1,¹ Regular Session of 2018, in a manner that appropriates any additional funds, authorizes the issuance of any additional general obligation bonds or allocates the revenues derived thereof, or adds any additional debt for the projects listed in section 4 of this Act.

PART III

SECTION 6. The provisions of this Act are declared to be severable and if any portion thereof is held to be invalid for any reason, the validity of the remainder of this Act shall not be affected.

SECTION 7. In printing this Act, the revisor of statutes shall substitute in sections 1, 3, 4, and 5 the corresponding act numbers for bills identified therein.

SECTION 8. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 9. This Act shall take effect upon its approval.

(Approved June 22, 2018.)

Notes

1. Act 53.
2. Act 26.

ACT 55

H.B. NO. 694

A Bill for an Act Relating to Health.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. In the last National Health Expenditures report published in 2015, the Centers for Medicare and Medicaid Services reported that the United States expended \$3,200,000,000,000 on healthcare annually, or \$9,990 per person, which represents 17.8 per cent of the nation's Gross Domestic Product. The Centers for Medicare and Medicaid Services further projected that national health spending would continue to grow at an average rate of 5.6 per cent per year for 2016-2025. The rising costs of healthcare premiums have far outpaced inflation and wages. Family health insurance premiums grew one hundred thirty-one per cent from 1999 to 2009 but workers' earnings increased only 38.1 per cent over that same time period, according to the Economic Policy Institute.

The Kaiser Family Foundation reported that the total health spending in the State was approximately \$10,338,000,000 in 2014. According to the Hawaii department of commerce and consumer affairs' insurance division, total health premiums have increased from \$1,262,118,865 in 1995 to \$6,343,949,857 in 2015, an average increase of twenty per cent each year. Healthcare premiums in Hawaii constitute an increasing percentage of wages, growing from 2.8 per cent in 1974 with the passage of the Prepaid Health Care Act to 14.7 per cent in 2015. Small group healthcare premiums increased an average of six per cent each year from 2010 to 2015, and increased by 7.5 per cent on average from 2013 through 2015.

Medicaid enrollment and spending growth has also increased. The National State Budget Officers' November 2017 State Expenditure Report found that medicaid has grown from about twenty per cent of total state spending to twenty-nine per cent of total state spending for 2017. Excluding federal funds, medicaid was nearly seventeen per cent of state fund expenditures, or a 7.1 per cent increase in state fund spending.

In Hawaii, medicaid makes up sixteen per cent of total state expenditures, which represents eleven per cent of the State's general funds. General fund expenditures for the State increased by 7.3 and 8.8 per cent in fiscal years 2015-2016 and 2016-2017, respectively. Medicaid state fund expenditures increased by 6.3 per cent and 12.3 per cent during this same period. While the increase is largely due to higher enrollment, rising healthcare costs are also part of the general trend.

Act 139, Session Laws of Hawaii 2016, amended section 323D-18.5, Hawaii Revised Statutes, to facilitate greater transparency in the healthcare sector and improve understanding of healthcare costs, healthcare system quality, population health conditions, and healthcare disparities through the development of what is called an "all-payer claims data warehouse." Act 139 broadened the scope of health and healthcare data and other information, including certain healthcare services claims and payment information submitted to the state health planning and development agency for analysis and dissemination of medical treatment claims and payment information, lent transparency to the healthcare sector, and supported public policy decision making. In Act 139, the legislature found that consumers of healthcare and state decision makers who regulate healthcare and insurance should have access to healthcare claims payment data and analytics, that access to such data will benefit members and retirees under the Hawaii employer-union health benefits trust fund, as well as medicaid and medicare recipients, and that analysis of claims data will serve other public purposes.

The state health planning and development agency reports that the all-payer claims database is approaching full operability and will begin receiving data from some insurers in 2018. Reports from and analysis of the all-payers claims data will be used in program planning by the department of human services Med-QUEST division, Hawaii employer-union health benefits trust fund, department of health, department of commerce and consumer affairs' insurance division, and department of budget and finance. Also, reports and analytics will aid efforts to improve the State's healthcare delivery system and the overall long-term health and well-being of the State's workforce, retirees, and medicaid beneficiaries, with the ultimate goal to reduce overall state-funded healthcare costs.

Act 139 also tasked the pacific health informatics and data center of the University of Hawaii to provide data stewardship and conduct analysis to further transparency and understanding of healthcare and to provide actionable information to healthcare programs and consumers.

The department of health and the state health planning and development agency are tasked with promoting accessibility to quality healthcare services for residents of the State at a reasonable cost. To implement and operationalize Act 139, the department of health and the state health planning and development agency have been working with the department of human services, the Hawaii employer-union health benefits trust fund, the department of commerce and consumer affairs' insurance division, the department of budget and finance, the department of accounting and general services' office of enterprise technology services, and the University of Hawaii. Data and health analytics have emerged as key aspects in the comprehensive use of the data to be collected.

After careful consideration and to enhance and sustain critical analytics of the State's medical claims data, these entities reached consensus that a health analytics program be established in the Med-QUEST division of the department of human services. The Med-QUEST division already maintains or has access to the required medical claims and administrative data of the State's medicaid health insurance program that provides coverage for one in four of Hawaii's residents.

As part of the overall continuous improvement of the administration of the State's medicaid program, the Med-QUEST division may be able to access federal matching funds to perform the desired healthcare analytics. This would help sustain the health analytics program. The health analytics program of the Med-QUEST division will act as the state health planning and development agency's designee and data center to receive administrative data required to determine health benefits costs from health insurance plans funded by the Hawaii employer-union health benefits trust fund as contemplated by section 323D-18.5, Hawaii Revised Statutes.

Continuing to work with the department of health, the department of commerce and consumer affairs, the state health planning and development agency, and the University of Hawaii, the health analytics program will provide analytics to achieve the goals of Act 139 of increased transparency, better health, better healthcare, and lower costs for beneficiaries of state funded health insurance plans, including the medicaid program.

The health analytics program and the all-payers claims data warehouse are key for administering state-run health programs, including medicaid. For example, improving and expanding health informatics and analytics capabilities are critical for the State and the Med-QUEST division to respond to the current congressional and federal administration proposals to undermine the Affordable Care Act health insurance coverage, including the medicaid program. Also, the State is facing rapidly increasing costs for healthcare in both the private and public sectors, especially for medicaid and the Hawaii employer-union health benefits trust fund, that may slow or stagnate economic growth and take up an increasing share of limited state general funds that may be invested in other sectors to promote overall community health and well-being.

Finally, the all-payers claims data warehouse is a needed tool for medicaid to administer the program. In addition to essential basic functions of analyzing standardized comparative quality indicators, cost trends, and cost drivers, several federal medicaid mandates can only be met by utilizing a functioning all-payers claims data warehouse. For example, new federal rules regarding medicaid managed care and network adequacy require examining community standards for accessing care. This standard-setting activity is only possible for Med-QUEST to accomplish via readily accessible datasets and informatics capability provided by the all-payers claims data warehouse. To do this work will require four permanent exempt full-time positions: health analytics and informatics program administrator, senior healthcare analytics and research coordinator, program and contracts financial coordinator, and healthcare statistician. The highly specialized technical, analytic, statistical, and programmatic skills required, the limited applicant pool of individuals with these specialized skills, and the high demand in the private and public healthcare sectors for these individuals make it necessary that the positions be exempt from the civil service provisions of chapter 76, Hawaii Revised Statutes. There is the potential of federal medicaid match of an appropriation of general funds for these positions.

The purpose of this Act is to establish the health analytics program in the Med-QUEST division of the department of human services, including by:

- (1) Establishing four positions exempt from chapter 76, Hawaii Revised Statutes, to be known as the health analytics and informatics program administrator, the senior healthcare analytics and research coordinator, the program and contracts financial coordinator, and the healthcare statistician; and
- (2) Appropriating funds to the department of human services for the establishment and operational costs of the health analytics program, including for two full-time equivalent positions.

SECTION 2. Chapter 346, Hawaii Revised Statutes, is amended by adding a new part to be appropriately designated and to read as follows:

“PART . HEALTH ANALYTICS

§346- Health analytics program; appointments. (a) There is established within the department of human services the health analytics program.

(b) The head of the program shall be known as the health analytics and informatics program administrator, hereinafter referred to as analytics administrator. The analytics administrator shall have professional training in the field of health analytics or a related field, and recent experience in a supervisory, consultative, or administrative position. The analytics administrator shall be appointed by the director and shall be exempt from chapter 76. Notwithstanding section 76-16(b)(17), this exemption shall not expire.

(c) The director may make further necessary position appointments to the health analytics program to conduct data analytics, informatics product development to support healthcare services programs, and any other necessary services, including administrative services, required to perform the duties of the program. Three of these positions shall be a senior healthcare analytics and research coordinator, a program and contracts financial coordinator, and a healthcare statistician, who shall all be exempt from chapter 76. Notwithstanding section 76-16(b)(17), the exemptions for these positions shall not expire.

(d) The health analytics program shall develop, design, or implement databases, primarily an all-claims, all-payer database, and an encompassing data center to collect and analyze healthcare data. The health analytics program may provide, in consultation with the state health planning and development agency, the department of health, the department of commerce and consumer affairs, the Hawaii employer-union health benefits trust fund, and the University of Hawaii, comparative cost and quality information about Hawaii’s healthcare systems and health plan networks to consumers, providers, and purchasers of healthcare in order to provide comparative information to government policy makers and residents of the State.

(e) The health analytics program may procure services in consultation with the department of health, and may perform technical tasks including data management, data cleansing, data quality, data analytics, and related activities that the program finds necessary to produce reports. The program and all associated technical vendors shall use the best available privacy and security measures, as required by law, to protect access to electronic protected health information, and shall provide for further analysis of data that is in limited datasets or de-identified formats, within the confines of the established data governance framework as provided in rules adopted by the department pursuant to chapter 91. All data sharing, use, and research shall be done in accordance with all applicable laws, including laws regarding privacy, confidentiality, and research.

(f) Subject to available funding, the health analytics program is authorized to serve as the contracting and data center designee of the state health planning and development agency.

(g) The health analytics program may contract with the Pacific Health Informatics and Data Center of the University of Hawaii, as a data analytics partner to the State. The University of Hawaii may conduct core or additional analytics functions and produce reports for the program and the state health planning and development agency in this capacity.

(h) The health analytics program shall develop a plan for the analysis, maintenance, and publication of data, in consultation with the department of health, the Hawaii employer-union health benefits trust fund, the office of enterprise technology services, the insurance division of the department of commerce and consumer affairs, and the University of Hawaii. The plan shall be updated annually.

(i) The department of human services shall adopt administrative rules pursuant to chapter 91 for the purposes of this part.”

SECTION 3. There is appropriated out of the general revenues of the State of Hawaii the sum of \$703,980 or so much thereof as may be necessary for fiscal year 2018-2019, for the department of human services to establish the health analytics program and carry out the purposes of this Act, including the establishment, hiring, and filling of 1.2 full-time equivalent (1.2 FTE) positions exempt from chapter 76, Hawaii Revised Statutes, any other administrative staff, and any operational expenses as may be required.

The sum appropriated shall be expended by the department of human services for the purposes of this Act.

SECTION 4. There is appropriated from moneys in the treasury received from federal funds the sum of \$495,120 or so much thereof as may be necessary for fiscal year 2018-2019, to carry out the purposes of the health analytics program established pursuant to this Act, including the establishment, hiring, and filling of 0.8 full-time equivalent (0.8 FTE) position exempt from chapter 76, Hawaii Revised Statutes.

The sum appropriated shall be expended by the department of human services for the purposes of this Act.

SECTION 5. If any provision of this Act, or the application thereof to any person or circumstance, is held invalid, the invalidity does not affect other provisions or applications of the Act that can be given effect without the invalid provision or application, and to this end the provisions of this Act are severable.

SECTION 6. This Act shall take effect on July 1, 2018.

(Approved June 27, 2018.)

ACT 56

H.B. NO. 1932

A Bill for an Act Relating to Emergency Rules by Agencies.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that periodically, changes to controlling law may require immediate alterations to long-standing statutes, administrative rules, or agency practices. The issuance of federal decisions may affect

any regulated area, at any time, including when the legislature is not in session, and requires specialized skill in interpretation of Hawaii law, and rapidity of response on an emergency basis to prevent impairment of important rights.

The purpose of this Act is to allow agencies to adopt emergency rules for immediate adaptation of Hawaii law to meet the requirements of federal law, or other overarching Hawaii law, while preserving the values and goals of Hawaii law. This Act is intended to be broad enough to allow agencies to react rapidly to any changes in federal case law or statute that affects any aspect of the agency's jurisdiction or statutes. The legislature finds that the enactment of emergency rules may stabilize the situation sufficiently for the agency or the legislature to pursue more enduring solutions with appropriate deliberation.

SECTION 2. Section 91-3, Hawaii Revised Statutes, is amended to read as follows:

“§91-3 Procedure for adoption, amendment, or repeal of rules. (a) Except as otherwise provided in [~~subsection (f),~~] this section, prior to the adoption of any rule authorized by law, or the amendment or repeal thereof, the adopting agency shall:

- (1) Give at least thirty days' notice for a public hearing. The notice shall include:
 - (A) A statement of the topic of the proposed rule adoption, amendment, or repeal or a general description of the subjects involved; and
 - (B) A statement that a copy of the proposed rule to be adopted, the proposed rule amendment, or the rule proposed to be repealed will be mailed to any interested person who requests a copy, pays the required fees for the copy and the postage, if any, together with a description of where and how the requests may be made;
 - (C) A statement of when, where, and during what times the proposed rule to be adopted, the proposed rule amendment, or the rule proposed to be repealed may be reviewed in person; and
 - (D) The date, time, and place where the public hearing will be held and where interested persons may be heard on the proposed rule adoption, amendment, or repeal.

The notice shall be mailed to all persons who have made a timely written request of the agency for advance notice of its rule-making proceedings, given at least once statewide for state agencies and in the county for county agencies. Proposed state agency rules shall also be posted on the Internet as provided in section 91-2.6; and

- (2) Afford all interested persons opportunity to submit data, views, or arguments, orally or in writing. The agency shall fully consider all written and oral submissions respecting the proposed rule. The agency may make its decision at the public hearing or announce then the date when it intends to make its decision. Upon adoption, amendment, or repeal of a rule, the agency, if requested to do so by an interested person, shall issue a concise statement of the principal reasons for and against its determination.

(b) Notwithstanding [~~the foregoing,~~] the requirements of subsection (a), if an agency finds that an imminent peril to the public health, safety, or morals, to livestock and poultry health, or to natural resources requires adoption, amendment, or repeal of a rule upon less than thirty days' notice of hearing, and

states in writing its reasons for such finding, it may proceed without prior notice or hearing or upon such abbreviated notice and hearing, including posting the abbreviated notice and hearing on the Internet as provided in section 91-2.6, as it finds practicable to adopt an emergency rule to be effective for a period of not longer than one hundred twenty days without renewal.

(c) In addition to emergency rules adopted pursuant to subsection (b), an agency may, in a similar manner, adopt emergency rules where new federal legislation or federal and state court decisions disrupt prior practice under any statute administered by the agency and adoption of an emergency rule is urgently needed to:

- (1) Conform existing rules to new requirements;
- (2) Implement newly-established rights;
- (3) Clarify existing rules and prevent confusion among those covered by existing statutes;
- (4) Stabilize a regulated industry or endeavor;
- (5) Avoid disruption of governmental or industrial operations;
- (6) Facilitate orderly agency or legislative study of the consequences of the new federal legislation or a federal or state court decision;
- (7) Reinforce or preserve the unmodified goals of a statute administered by the agency; or
- (8) Temporarily resolve any practical problems created by the new federal legislation or federal and state court decisions;

provided that an agency shall not adopt any emergency rule pursuant to this subsection without conducting a public hearing; provided further that an agency shall give no less than thirty days' notice of the hearing; provided further that any emergency rule adopted pursuant to this subsection shall be effective until no later than adjournment sine die of the next regular legislative session following adoption of the emergency rule.

~~[(e)]~~ (d) The adoption, amendment, or repeal of any rule by any state agency shall be subject to the approval of the governor. The adoption, amendment, or repeal of any rule by any county agency shall be subject to the approval of the mayor of the county. This subsection shall not apply to the adoption, amendment, and repeal of the rules of the county boards of water supply.

~~[(d)]~~ (e) The requirements of subsection (a) may be waived by the governor in the case of the State, or by the mayor in the case of a county, whenever a state or county agency is required by federal provisions to adopt rules as a condition to receiving federal funds and the agency is allowed no discretion in interpreting the federal provisions as to the rules required to be adopted; provided that the agency shall make the adoption, amendment, or repeal known to the public by:

- (1) Giving public notice of the substance of the proposed rule at least once statewide prior to the waiver of the governor or the mayor; and
- (2) Posting the full text of the proposed rulemaking action on the Internet as provided in section 91-2.6.

~~[(e)]~~ (f) No adoption, amendment, or repeal of any rule shall be invalidated solely because of:

- (1) The inadvertent failure to mail an advance notice of rulemaking proceedings;
- (2) The inadvertent failure to mail or the nonreceipt of requested copies of the proposed rule to be adopted, the proposed rule amendment, or the rule proposed to be repealed; or
- (3) The inadvertent failure on the part of a state agency to post on the website of the office of the lieutenant governor all proposed rule-

making actions of the agency and the full text of the agency's proposed rules as provided in section 91-2.6.

Any challenge to the validity of the adoption, amendment, or repeal of an administrative rule on the ground of noncompliance with statutory procedural requirements shall be forever barred unless the challenge is made in a proceeding or action, including an action pursuant to section 91-7, that is begun within three years after the effective date of the adoption, amendment, or repeal of the rule.

~~(f)~~ (g) Whenever an agency seeks only to repeal one or more sections, chapters, or subchapters of the agency's rules because the rules are either null and void or unnecessary, and not adopt, amend, or compile any other rules:

- (1) The agency shall give thirty days' public notice at least once state-wide of the proposed date of repeal and of:
 - (A) A list of the sections, chapters, or subchapters, as applicable, being repealed; and
 - (B) A statement of when, where, and during what times the sections, chapters, or subchapters proposed to be repealed may be reviewed in person;
- (2) The agency shall post the full text of the proposed sections, chapters, or subchapters to be repealed on the Internet as provided in section 91-2.6; and
- (3) Any interested person may petition the agency regarding the sections, chapters, or subchapters proposed to be repealed, pursuant to section 91-6.

This subsection does not apply to the repeal of one or more subsections, paragraphs, subparagraphs, clauses, words, phrases, or other material within a section that does not constitute the entire section to be repealed."

SECTION 3. Section 91-4, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

"(b) Each rule hereafter adopted, amended, or repealed shall become effective ten days after filing with the lieutenant governor in the case of the State, or with the respective county clerks in the case of the counties; provided that:

- (1) If a later effective date is required by statute or specified in the rule, the later date shall be the effective date; provided further that no rule shall specify an effective date in excess of thirty days after the filing of the rule as provided herein; ~~and~~
- (2) An emergency rule adopted pursuant to section 91-3(b) shall become effective upon filing with the lieutenant governor in the case of the State, or with the respective county clerks in the case of the counties, for a period of not longer than one hundred twenty days without renewal unless extended in compliance with section 91-3(b) if the agency finds that immediate adoption of the rule is necessary because of imminent peril to the public health, safety, or morals, or to natural resources. The agency's finding and brief statement of the reasons therefor shall be incorporated in the rule as filed. The agency shall make an emergency rule adopted pursuant to section 91-3(b) known to persons who will be affected by it by publication at least once in a newspaper of general circulation in the State for state agencies and in the county for county agencies within five days from the date of filing of the rule[-]; ~~and~~
- (3) An emergency rule adopted pursuant to section 91-3(c) shall become effective upon filing with the lieutenant governor in the case of the State, or with the respective county clerks in the case of the counties, and shall be effective until no later than adjournment sine

die of the next regular legislative session following adoption of the emergency rule. The agency's finding and brief statement of the reasons therefor shall be incorporated in the rule as filed. The agency shall make an emergency rule adopted pursuant to section 91-3(c) known to persons who will be affected by it by publication at least once in a newspaper of general circulation in the State for state agencies and in the county for county agencies within five days from the date of filing of the rule."

SECTION 4. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 5. This Act shall take effect upon its approval.

(Approved June 27, 2018.)

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H.B. NO. 2306

A Bill for an Act Relating to Agriculture.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 141-12.5, Hawaii Revised Statutes, is amended to read as follows:

~~"[§141-12.5]~~ **Grant program; food safety certification costs** ~~special fund].~~ (a) There is established in the department of agriculture a grant program to assist farmers and ranchers in meeting the costs, including audit costs and other expenses, of complying with the federal Food Safety Modernization Act, United States Food and Drug Administration regulations, and state food safety laws.

(b) The program shall provide grants to qualified applicants with the following terms and conditions:

- (1) No grants shall be given unless money has been spent by the applicant toward complying with the federal Food Safety Modernization Act, United States Food and Drug Administration regulations, or state food safety laws;
- (2) The total amount of a grant to any one applicant shall not exceed \$5,000; and
- (3) No grant shall be given for costs that were incurred more than five years prior to the time the application for the grant is received by the department.

~~[(c) There is established in the state treasury the food safety certification costs grant program special fund to be administered by the department to provide the grants required by this section. The revenues of the fund shall consist of legislative appropriations and the interest thereon.]~~

~~[(d)]~~ (c) The department shall adopt rules to carry out the purposes of the grant program. The grant applications shall be reviewed and approved by an administrative staff member of the department."

SECTION 2. Act 183, Session Laws of Hawaii 2017, section 2, is amended to read as follows:

"SECTION 2. There is appropriated out of the general revenues of the State of Hawaii the sum of \$500,000 or so much thereof as may be necessary

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for fiscal year ~~[2017-2018]~~ 2018-2019 for the food safety certification costs grant program of the department of agriculture.

The sum appropriated shall be expended by the department of agriculture for the purposes of this Act.”

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect on June 29, 2018.

(Approved June 27, 2018.)

ACT 58

S.B. NO. 2053

A Bill for an Act Relating to Athletic Trainers.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that chapter 436H, Hawaii Revised Statutes, which establishes a regulatory scheme for athletic trainers, is scheduled to sunset on June 30, 2018.

The legislature further finds that Auditor Report No. 17-08 recommended that the current registration requirement for athletic trainers should be extended. Specifically, the Auditor’s Report found that:

- (1) Athletic trainers are healthcare professionals who provide injury prevention, treatment and assessment of injuries, and rehabilitation of injuries, among other services. Athletic trainers also provide emergency medical care and are involved in concussion monitoring and education. The services that an athletic trainer provides may affect the health and safety of athletes, and the proficiencies required by the current regulatory scheme are reasonably necessary to protect athletes under an athletic trainer’s care;
- (2) The current regulation of athletic trainers does not impose unreasonable restrictions on individuals entering the profession and does not meaningfully increase the cost of athletic trainer services; and
- (3) The public interest requires that the profession of athletic trainer continue to be regulated and the program requiring athletic trainers to register with the department of commerce and consumer affairs be continued.

The legislature additionally finds that the regulation of athletic trainers should be made permanent in the interest of public health and safety.

Accordingly, the purpose of this Act is to make permanent the regulation of athletic trainers under chapter 436H, Hawaii Revised Statutes.

SECTION 2. Section 26H-4, Hawaii Revised Statutes, is amended to read as follows:

“§26H-4 Repeal dates for newly enacted professional and vocational regulatory programs. (a) Any professional or vocational regulatory program enacted after January 1, 1994, and listed in this section shall be repealed as specified in this section. The auditor shall perform an evaluation of the program, pursuant to section 26H-5, prior to its repeal date.

~~[(b) Chapter 436H (athletic trainers) shall be repealed on June 30, 2018.~~

~~(e)~~ (b) Chapter 465D (behavior analysts) shall be repealed on June 30, 2021.

~~(d)~~ (c) Chapter 466L (appraisal management companies) shall be repealed on June 30, 2023.”

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect on June 29, 2018.

(Approved June 27, 2018.)

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S.B. NO. 2556

A Bill for an Act Relating to Agriculture.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that the department of agriculture hemp pilot program has been progressing and going through the rulemaking development stages. In order to prepare the hemp pilot program for implementation, a few amendments must be made to address the program’s commencement.

The purpose of this Act is to create a special fund into which fees may be deposited.

SECTION 2. Chapter 141, Hawaii Revised Statutes, is amended by adding a new section to part II to be appropriately designated and to read as follows:

“§141- Industrial hemp special fund; established. (a) There is created in the state treasury a special fund to be designated as the industrial hemp special fund to be administered by the department of agriculture. Moneys deposited in this special fund shall be used to fulfill the purposes of this part and shall include:

- (1) Any moneys appropriated by the legislature to the special fund;
- (2) Any fees collected by the department of agriculture in relation to the industrial hemp pilot program; and
- (3) The interest or return on investments earned from moneys in the special fund.

(b) The department of agriculture may use the moneys in the special fund to carry out the purposes of this part, including hiring employees, specialists, and consultants necessary to complete projects related to the purposes of this part.”

SECTION 3. New statutory material is underscored.¹

SECTION 4. This Act shall take effect upon its approval.

(Approved June 27, 2018.)

Note

1. Edited pursuant to HRS §23G-16.5.

A Bill for an Act Relating to Electrical Contractors.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that the construction and maintenance of overhead and underground high voltage power lines with distribution and transmission voltages require the specialized skills of electrical workers, such as journeymen linemen, foremen, and general foreman, who are all trained certified journeyman lineman. To address a need for individuals qualified to work with high voltage power lines, the legislature enacted Act 65, Session Laws of Hawaii 2013 (Act 65). Act 65 provides a limited exemption from electrician licensing requirements for individuals employed by electrical contractors who are retained by a public utility within the State to perform high voltage work for the public utility and who are deemed qualified by the public utility. However, Act 65 sunsets on June 30, 2018. The legislature further finds that as Hawaii continues to experience a shortage of electricians, splicers, and linemen in the State who are experienced and qualified to work with high voltage, it is necessary to extend the sunset date of Act 65.

The purpose of this Act is to:

- (1) Extend the sunset date of Act 65 for an additional five years; and
- (2) Require the board of electricians and plumbers to submit reports to the legislature related to high voltage work.

SECTION 2. Act 65, Session Laws of Hawaii 2013, is amended by amending section 4 to read as follows:

“SECTION 4. This Act shall take effect upon its approval; provided that on June 30, ~~[2018,]~~ 2023, this Act shall be repealed and section 448E-13, Hawaii Revised Statutes, shall be reenacted in the form in which it read on the day before the effective date of this Act.”

SECTION 3. The board of electricians and plumbers shall submit reports to the legislature no later than twenty days prior to the convening of the regular sessions of 2019, 2020, 2021, 2022, and 2023. The reports shall include but not be limited to the following:

- (1) Any programs in the State that offer vocational training for licensed electricians to perform high voltage electrical work;
- (2) Availability of continuing education, training, or both, necessary for licensed electricians to acquire or keep current those skills related to performing high voltage work;
- (3) The number of licensed electricians in the State qualified to perform high voltage electrical work; and
- (4) Opportunities for growth in the high voltage work subspecialty.

SECTION 4. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 5. This Act shall take effect on June 29, 2018.

(Approved June 27, 2018.)

ACT 61

H.B. NO. 2610

A Bill for an Act Relating to the Hawaii Technology Development Corporation.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The Hawaii technology development corporation is a key state agency in the development and support of the State's manufacturing industry. The legislature finds that continued support for manufacturing is important to Hawaii's economy.

SECTION 2. There is appropriated out of the general revenues of the State of Hawaii the sum of \$1,000,000 or so much thereof as may be necessary for fiscal year 2018-2019 for the purpose of continuing the Hawaii technology development corporation's manufacturing grant program as well as the operations and administration of the manufacturing grant program.

The sum appropriated shall be expended by the Hawaii technology development corporation for the purposes of this Act.

SECTION 3. This Act shall take effect on July 1, 2018.

(Approved June 28, 2018.)

ACT 62

S.B. NO. 2146

A Bill for an Act Relating to Publication of Election Notices.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Chapter 11, Hawaii Revised Statutes, is amended by adding a new section to part I to be appropriately designated and to read as follows:

“§11- Publication of election notices. Notwithstanding any other statute, law, charter provision, ordinance, or rule to the contrary, whenever an election officer is required to issue a public notice in a statewide or county publication, the publication requirement shall be deemed satisfied upon the submission of the notice to the publication; provided that the notice is also conspicuously posted on the website associated with the election officer. The inadvertent failure of a publication to publish a notice in a timely manner shall not invalidate any legal consequences or actions associated with the notice.”

SECTION 2. New statutory material is underscored.¹

SECTION 3. This Act shall take effect on July 1, 2018.

(Approved June 28, 2018.)

Note

1. Edited pursuant to HRS §23G-16.5.

A Bill for an Act Relating to Board Meetings.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 92-7, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

“(b) No less than six calendar days prior to the meeting, the board shall post the notice on an electronic calendar on a website maintained by the State or the appropriate county and in the board’s office for public inspection. The notice shall also be posted at the site of the meeting whenever feasible. The board shall provide a copy of the notice to the office of the lieutenant governor or the appropriate county clerk’s office at the time the notice is posted, and the office of the lieutenant governor or the appropriate clerk’s office shall post paper or electronic copies of all meeting notices in a central location in a public building; provided that a failure to do so by the board, the office of the lieutenant governor, or the appropriate county clerk’s office shall not require cancellation of the meeting. The copy of the notice to be provided to the office of the lieutenant governor or the appropriate county clerk’s office may be provided via electronic mail to an electronic mail address designated by the office of the lieutenant governor or the appropriate county clerk’s office, as applicable.”

SECTION 2. New statutory material is underscored.

SECTION 3. This Act shall take effect on July 1, 2018.

(Approved June 28, 2018.)

A Bill for an Act Relating to Aeronautics.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that the imposition of criminal penalties for violations of certain categories of airport rules has been excessive and disproportionate to the gravity of the acts committed. A more just approach would be to impose only fines for violations of rules relating to airport safety and licensing of persons engaged in commercial activities at public airports, and reserve criminal penalties for conduct that causes more harm. Furthermore, the legislature recognizes that the current misdemeanor penalty for certain airport offenses can result in significantly harsh consequences. For example, a holder of a pilots’ license, military security clearance, civilian federal security clearance, or professional license, such as a doctor, lawyer, or certified public accountant, may lose the clearance or license because of a criminal conviction. Sometimes, the loss of the clearance or license and its associated privileges may continue for the person’s entire lifetime.

The purpose of this Act is to replace criminal penalties for certain airport offenses under Hawaii’s aeronautics laws, or in certain administrative rules or orders issued pursuant thereto, with fines.

SECTION 2. Section 261-21, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

“(a) Except as provided in subsection (c), any person violating this chapter, or any of the rules or orders issued pursuant thereto and ~~relating to:~~

- (1) ~~Safety measures, practices, or requirements;~~
- (2) ~~Airport security measures or requirements; or~~
- (3) ~~The licensing and regulation of persons engaged in commercial activities at public airports,]~~

duly adopted or served, shall be guilty of a ~~[misdemeanor.]~~ violation subject to the following penalties:

- (1) When safety measures or Federal Aviation Administration acceptable hangar use practices are violated, the person shall be subject to a fine not to exceed \$500; or
- (2) When the licensing and regulation of persons engaged in commercial activities at public airports is involved, the person shall be subject to a fine not to exceed \$500.”

SECTION 3. It is the intent of this Act not to jeopardize the receipt of any federal aid nor to impair the obligation of the State or any agency thereof to the holders of any bond issued by the State or by any such agency.

SECTION 4. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

SECTION 5. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 6. This Act shall take effect on July 1, 2018.

(Approved June 29, 2018.)

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H.B. NO. 2328

A Bill for an Act Relating to Housing.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 201H-47, Hawaii Revised Statutes, is amended by amending subsections (a) and (b) to read as follows:

“(a) The following restrictions shall apply to the transfer of real property developed and sold under this chapter, whether in fee simple or leasehold:

- (1) For a period of ten years after the purchase, whether by lease, assignment of lease, deed, or agreement of sale, if the purchaser wishes to transfer title to the real property, the corporation shall have the first option to purchase the real property at a price that shall not exceed the sum of:
 - (A) The original cost to the purchaser, as defined in rules adopted by the corporation;
 - (B) The cost of any improvements added by the purchaser, as defined in rules adopted by the corporation;
 - (C) Simple interest on the original cost and capital improvements to the purchaser at the rate of one per cent [a] per year; and
 - (D) ~~[The corporation's share of net appreciation in the real property, as determined under rules adopted pursuant to chapter 91, when applicable;]~~ The amount, if any, previously paid by

the purchaser to the corporation as the corporation's share of net appreciation in the real property;

- (2) The corporation may purchase the real property either:
- (A) By conveyance free and clear of all mortgages and liens; or
 - (B) By conveyance subject to existing mortgages and liens.
- If the real property is conveyed in the manner provided in subparagraph (A), it shall be conveyed to the corporation only after all mortgages and liens are released. If the real property is conveyed in the manner provided in subparagraph (B), the corporation shall acquire the real property subject to any first mortgage created for the purpose of securing the payment of a loan of funds expended solely for the purchase of the real property by the seller; and any mortgage or lien created for any other purpose; provided that the corporation has previously consented to it in writing.

The corporation's interest created by this section shall constitute a statutory lien on the real property and shall be superior to any other mortgage or lien, except for:

- (i) ~~Any~~ any first mortgage created for the purpose of securing the payment of a loan of funds expended solely for the purchase of the real property by the seller;
- ~~(ii)~~ any mortgage insured or held by a federal housing agency; and
- ~~(iii)~~ any mortgage or lien created for any other purpose; provided that the corporation has previously consented to it in writing.

The amount paid by the corporation to the seller shall be the difference, if any, between the purchase price determined by paragraph (1)(A) to ~~[(C); (D)]~~, and the total of the outstanding principal balances of the mortgages and liens assumed by the corporation;

- (3) A purchaser may refinance real property developed and sold under this chapter; provided that the purchaser shall not refinance the real property within ten years from the date of purchase for an amount in excess of the purchase price as determined by paragraph (1)(A) to (C); provided further that the purchaser shall obtain the corporation's written consent if any restriction on the transfer of the real property remains applicable;
- (4) After the end of the tenth year from the date of initial purchase or execution of an agreement of sale, the purchaser may sell the real property and sell or assign the property free from any price restrictions; provided that the purchaser shall be required to pay to the corporation the sum of:
 - (A) The balance of any mortgage note, agreement of sale, or other amount owing to the corporation;
 - (B) Any subsidy or deferred sales price made by the corporation in the acquisition, development, construction, and sale of the real property, and any other amount expended by the corporation not counted as costs under section 201H-45 but charged to the real property by good accounting practice as determined by the corporation whose books shall be prima facie evidence of the correctness of the costs;
 - (C) Interest on the subsidy or deferred sales price, if applicable, and any other amount expended at the rate of seven per cent ~~[a]~~ per year computed as to the subsidy or deferred sales price, if applicable, from the date of purchase or execution of the

agreement of sale, and as to any amount expended, from the date of expenditure; provided that the computed interest shall not extend beyond thirty years from the date of purchase or execution of the agreement of sale of the real property. If any proposed sale or transfer will not generate an amount sufficient to pay the corporation the sum as computed under this paragraph, the corporation shall have the first option to purchase the real property at a price that shall not exceed the sum as computed under paragraphs (1) and (2); and

- (D) The corporation's share of appreciation in the real property as determined under rules adopted pursuant to chapter 91, when applicable;
- (5) Notwithstanding any provision in this section to the contrary, pursuant to rules adopted by the corporation, the subsidy or deferred sales price described in paragraph (4)(B) and any interest accrued pursuant to paragraph (4)(C) may be paid, in part or in full, at any time; and
- (6) Notwithstanding any provision in this section to the contrary, the corporation's share of appreciation in the real property described in paragraph (4)(D):
- (A) Shall apply when the sales price of the real property that is developed and sold under this chapter is less than the then-current, unencumbered, fair market value of the real property, as determined by a real property appraisal obtained prior to the closing of the sale;
- (B) Shall be a restriction that runs with the land until it is paid in full and released by the corporation, or extinguished pursuant to subsection (f); and
- (C) May be paid, in part or in full, at any time after recordation of the sale.
- (b) If the corporation waives its first option to repurchase the real property provided in subsection (a), a qualified nonprofit housing trust shall have the option to purchase the real property at ~~[the price and in the manner set forth in subsection (a)-]~~ a price that shall not exceed the sum of:
- (1) The original cost to the purchaser, as defined in rules adopted by the corporation;
 - (2) The cost of any improvements added by the purchaser, as defined in rules adopted by the corporation;
 - (3) Simple interest on the original cost and capital improvements to the purchaser at the rate of one per cent per year; and
 - (4) The corporation's share of net appreciation in the real property to be paid as determined under rules adopted pursuant to chapter 91, when applicable."

SECTION 2. Act 159, Session Laws of Hawaii 2017, is amended by amending section 8 to read as follows:

~~"SECTION 8. [This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.] This Act shall not affect rights, duties, and obligations that have matured through a signed contract or disclosure by way of a preliminary offering statement filed with the real estate commission before its effective date."~~

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SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect upon its approval.

(Approved June 29, 2018.)

ACT 66

H.B. NO. 2395

A Bill for an Act Relating To Electronic Filing.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that electronic filing of tax returns increases the efficiency of tax administration. The legislature finds that requiring electronic filing of tax returns is only appropriate in limited circumstances and only for certain taxpayers. This Act will allow the department of taxation to require certain taxpayers to file tax returns electronically if the department of taxation has provided an electronic filing option. This Act also allows the department of taxation to impose a penalty for failure to file electronically and to waive the penalty if the failure is for reasonable cause. This Act does not authorize the department of taxation to require individual taxpayers to electronically file income tax returns.

SECTION 2. Section 231-8.5, Hawaii Revised Statutes, is amended to read as follows:

~~“§231-8.5~~ **Electronic filing of tax returns.** (a) The department may allow filing by electronic, telephonic, or optical means of any tax return, application, report, or other document required under the provisions of title 14 administered by the department.

(b) If the requirements of subsection (c) are satisfied, the department may require electronic filing of any tax return, application, report, or other document required under the provisions of title 14 administered by the department for the following taxpayers:

- (1) For withholding tax filings required under chapter 235, only employers whose total tax liability under sections 235-61 and 235-62 for the calendar or fiscal year exceeds \$40,000;
- (2) For income tax filings required under chapter 235, only taxpayers who are subject to tax under section 235-71, 235-71.5, or 235-72;
- (3) For general excise tax filings required under chapter 237, only taxpayers whose total tax liability under chapter 237 for the calendar or fiscal year exceeds \$4,000;
- (4) For transient accommodations tax filings required under chapter 237D, only operators and plan managers whose total tax liability under chapter 237D for the calendar or fiscal year exceeds \$4,000;
and
- (5) For filings required under the following chapters, all taxpayers subject to tax under those chapters:
 - (A) 236E;
 - (B) 239;
 - (C) 241;
 - (D) 243;
 - (E) 244D;

~~(F) 245; and~~

~~(G) 251.~~

~~(c) As a prerequisite to requiring electronic filing under subsection (b), the department shall provide:~~

~~(1) An electronic filing option to the taxpayer; and~~

~~(2) No less than ninety days prior written notice to the general public of the department's intention to require electronic filing.~~

~~(d) The date of filing shall be the date the tax return, application, report, or other document is transmitted to the department in a form and manner prescribed by departmental rules adopted pursuant to chapter 91. The department may determine alternative methods for the signing, subscribing, or verifying of a tax return, application, report, or other document that shall have the same validity and consequences as the actual signing by the taxpayer. A filing under this section shall be treated in the same manner as a filing subject to the penalties under section 231-39.~~

~~(e) If a person who is required by the department under subsection (b) to electronically file any tax return fails to file using an approved method, unless it is shown that the failure is due to reasonable cause and not to neglect, the person shall be liable for a penalty of two per cent of the amount of the tax required to be shown on the return."~~

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect upon its approval.

(Approved June 29, 2018.)

ACT 67

H.B. NO. 2075

A Bill for an Act Relating to Energy.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that imported oil supplies over ninety per cent of Hawaii's energy. This dependence on oil threatens Hawaii's land, air, and water, places the economy's security at risk, and is not sustainable. As a result, the State adopted the clean energy initiative to achieve seventy per cent clean energy by the year 2030. This clean energy initiative is rooted in the principle of maximizing cost effective investments in clean energy production and management to promote Hawaii's energy security. Along with reducing the dependency on fossil fuels and increasing efficiency measures, the clean energy plan contributes to the State's economic growth.

The legislature further finds that there are growing numbers of local Hawaii-based companies conducting research and development in clean energy technologies. Utilizing Hawaii's diverse renewable energy sources of solar, wind, hydroelectricity, bioenergy, and geothermal, these companies are demonstrating to the world with proven results that Hawaii is an ideal laboratory for the development of clean energy technologies. Many of these local research and development companies have also obtained federal funding to develop clean and alternative energy research and have created high-paying jobs that employ highly skilled workers.

The legislature also finds that it is important to Hawaii's future to support and strengthen these local companies to ensure continued research and develop-

ment and support Hawaii's economy. For economic growth and diversification, it is in Hawaii's best interest to take important steps to encourage high-impact, clean energy solutions that encourage innovative economic development.

Act 159, Session Laws of Hawaii 2015, established a matching grant pilot program, similar to the small business innovation research grant program administered by the Hawaii technology development corporation, to further strengthen and support Hawaii's local companies that are conducting renewable energy research and development through existing contracts with the principal research division of the United States Department of Defense, Office of Naval Research. Although the pilot program expired on June 30, 2017, the legislature believes that the program should be reestablished.

Accordingly, the purpose of this Act is to reestablish the matching grant program originally created under Act 159, Session Laws of Hawaii 2015.

SECTION 2. (a) There is established within the department of business, economic development, and tourism, a two-year alternative energy research and development program to provide grants to qualified businesses conducting research and development in alternative energy. The purpose of the program shall be to promote the research and development of alternative energy in Hawaii by authorizing the Hawaii technology development corporation to provide matching grants to businesses that meet the criteria established in subsection (b).

(b) Subject to the availability of funds, the Hawaii technology development corporation may provide a grant to any business that:

- (1) Has been awarded a competitive contract from the Department of Defense Office of Naval Research related to the research of alternative energy and energy efficiency technologies in the fields of geothermal, solar, wind, ocean power, hydrodynamics, bioenergy, biomass, solid waste, smart grids, transportation, or demand response;
- (2) Is sixty per cent or more resident-owned. For purposes of this paragraph, "resident" shall have the same meaning as defined in section 235-1, Hawaii Revised Statutes;
- (3) Is a for-profit entity organized under the laws of the State;
- (4) Has been doing business in the State for a minimum of one year;
- (5) Agrees to expend all grant funds, awarded pursuant to this Act, in the State; and
- (6) Conducts research in alternative energy that has a high technology readiness level or high potential for implementation as evidenced by a contract, funded by moneys designated by the United States Congress as funding for alternative energy and a national defense budget funding directive, with the Department of Defense Office of Naval Research that is existing and active or was granted within three years prior to the effective date of this Act;

provided that the amount of any grant awarded pursuant to this Act shall not exceed fifty per cent of the amount of the grant awarded to the business by the Department of Defense Office of Naval Research; provided further that the business shall not be eligible for a grant pursuant to this section if the business has obtained any other state grant for the same research, other than the grant awarded to the business by the Department of Defense Office of Naval Research, at the time of or during the duration of the alternative energy research and development program grant.

(c) The alternative energy research and development program shall cease to exist on June 30, 2020.

(d) The department of business, economic development, and tourism shall adopt rules, pursuant to chapter 91, Hawaii Revised Statutes, necessary for

the purposes of implementing the alternative energy research and development program.

SECTION 3. There is established the alternative energy research and development revolving fund, to be expended by the department of business, economic development, and tourism for the purpose of promoting alternative energy research and development in Hawaii through the awarding of grants under the alternative energy research and development program.

The alternative energy research and development revolving fund shall be abolished on June 30, 2020, and all unencumbered balances shall lapse to the credit of the general fund.

SECTION 4. There is appropriated out of the general revenues of the State of Hawaii the sum of \$1,000,000 or so much thereof as may be necessary for fiscal year 2018-2019 to be deposited into the alternative energy research and development revolving fund.

SECTION 5. There is appropriated out of the alternative energy research and development revolving fund the sum of \$1,000,000 or so much thereof as may be necessary for fiscal year 2018-2019 for the purpose of providing grants pursuant to this Act.

The sum appropriated shall be expended by the Hawaii technology development corporation for the purposes of this Act.

SECTION 6. This Act shall take effect on July 1, 2018.

(Approved June 29, 2018.)

ACT 68

H.B. NO. 1958

A Bill for an Act Relating to the Hawaii Technology Development Corporation.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that the Hawaii small business innovation research program is the longest-running federal small business innovation research matching grant program in the United States. The Hawaii small business innovation research program of the Hawaii technology development corporation has increased the competitiveness of small businesses in Hawaii, attracted additional federal dollars into the State, and helped Hawaii businesses to transform their research into innovative commercial products and services.

The legislature further finds that in 2017, the Hawaii small business innovation research program awarded approximately \$1,900,000 in matching grants to businesses that had received a federal small business innovation research phase II or III award or contract. These matching grants helped to create an anticipated one hundred thirty-one new high-paying jobs in the State.

The legislature believes that continued funding for the Hawaii small business innovation research program will further help to develop Hawaii's technology sector. Additionally, in light of the amendments made by Act 216, Session Laws of Hawaii 2015, that authorized the corporation to match phase II and III awards or contracts, the Hawaii technology development corporation should also be allowed to issue additional awards which will help to maximize the efficiency of the appropriated funds.

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The purpose of this Act is to appropriate moneys to continue the small business innovation research program and to authorize the Hawaii technology development corporation to match federal small business innovation research phase III or small business technology transfer program phase III awards, including those funded by the private sector or government sources outside of the program.

SECTION 2. Section 206M-15, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

“(b) The development corporation may provide grants to any business in Hawaii that:

- (1) Receives a federal small business innovation research phase ~~[I, H, or HH]~~ I or II award or contract from any participating federal agency, up to fifty per cent of the amount of the federal award or contract;
- (2) Receives a federal small business technology transfer program award or contract from any participating federal agency, up to fifty per cent of the amount of the federal award or contract; ~~[or]~~
- (3) Receives a federal small business innovation research phase III or small business technology transfer program phase III award or contract, up to fifty percent of the amount of the award or contract funded by private sector or government sources outside of the program; or
- ~~[(3)]~~ (4) Applies for a small business innovation research federal grant or a small business technology transfer program federal grant, in an amount not to exceed \$3,000,

subject to the availability of funds.”

SECTION 3. There is appropriated out of the general revenues of the State of Hawaii the sum of \$1,500,000 or so much thereof as may be necessary for fiscal year 2018-2019 for the small business innovation research program.

The sum appropriated shall be expended by the Hawaii technology development corporation for the purposes of this Act.

SECTION 4. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 5. This Act shall take effect on July 1, 2018.

(Approved June 29, 2018.)

ACT 69

S.B. NO. 2766

A Bill for an Act Relating to the Employees' Retirement System.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that this Act is necessary to reduce and control the unfunded liability of the employees' retirement system of the State of Hawaii and to prevent future retirement contribution increases. The purpose of this Act is to clarify that members of the employees' retirement system eligible to claim service-connected disability and accidental death benefits must be beneficiaries of the trust.

SECTION 2. Section 88-21, Hawaii Revised Statutes, is amended by amending the definition of "accidental death" to read as follows:

"Accidental death"[:] means death that is the natural and proximate result of an accident occurring at some definite time and place while the member was employed in a position in which all contributions required to be made to the employees' retirement system by the employee or the employer, or both, have been made, was in the actual performance of duty, or due to the result of some occupational hazard, and not caused by wilful negligence on the part of the member."

SECTION 3. Section 88-79, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) Under rules the board of trustees may adopt, upon application of a member, or the person appointed by the family court as guardian of an incapacitated member, any member while employed in a position in which all contributions required to be made to the employees' retirement system by the employee or the employer, or both, have been made, who has been permanently incapacitated for duty as the natural and proximate result of an accident occurring while in the actual performance of duty at some definite time and place, or as the cumulative result of some occupational hazard, through no wilful negligence on the member's part, may be retired by the system for service-connected disability; provided that:

- (1) In the case of an accident occurring after July 1, 1963, the employer shall file with the system a copy of the employer's report of the accident submitted to the director of labor and industrial relations;
- (2) An application for retirement is filed with the system within two years of the date of the accident, or the date upon which workers' compensation benefits cease, whichever is later;
- (3) Certification is made by the head of the agency in which the member is employed, stating the time, place, and conditions of the service performed by the member resulting in the member's disability and that the disability was not the result of wilful negligence on the part of the member; and
- (4) The medical board or other entity designated by the board of trustees certifies that the member is incapacitated for the further performance of duty at the time of application and that the member's incapacity is likely to be permanent."

SECTION 4. Section 88-336, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) Under rules the board of trustees may adopt, upon application of a class H member, or the person appointed by the family court as guardian of an incapacitated member, any class H member, employed in a position in which all contributions required to be made to the employees' retirement system by the employee or the employer, or both, have been made, who has been permanently incapacitated for duty as the natural and proximate result of an accident occurring while in the actual performance of duty at some definite time and place, or as the cumulative result of some occupational hazard, through no wilful negligence on the member's part, may be retired by the system for service-connected disability; provided that:

- (1) In the case of an accident occurring after July 1, 1963, the employer shall file with the system a copy of the employer's report of the accident submitted to the director of labor and industrial relations;

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- (2) An application for retirement is filed with the system within two years of the date of the accident, or the date upon which workers' compensation benefits cease, whichever is later;
- (3) Certification is made by the head of the agency in which the member is employed, stating the time, place, and conditions of the service performed by the member resulting in the member's disability and that the disability was not the result of wilful negligence on the part of the member; and
- (4) The medical board or other entity designated by the board of trustees certifies that the member is incapacitated for the further performance of duty at the time of application and that the member's incapacity is likely to be permanent."

SECTION 5. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 6. This Act shall take effect upon its approval.

(Approved June 29, 2018.)

ACT 70

S.B. NO. 2767

A Bill for an Act Relating to the Employees' Retirement System.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The purpose of this Act is to amend and clarify provisions of chapter 88, Hawaii Revised Statutes, to maintain the status of the employees' retirement system as a tax-qualified plan under section 401(a) of the Internal Revenue Code.

SECTION 2. Section 88-59, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

"(b) After the filing of the statement, the board shall verify the service claimed and determine the service credit allowable. Verified prior service shall be credited. Verified membership service shall be paid for by the member in any one of the following methods, at the member's option:

- (1) If deductions commence or the lump sum payment is made prior to July 1, 2020:
 - (A) By deductions from the member's compensation pursuant to section 414(h)(2) of the Internal Revenue Code of 1986, as amended, under the employer pick up plan under section 88-46. An irrevocable payroll authorization filed by the member for a period not to exceed sixty months shall remain in effect until the completion of the payroll payments or termination of employment, whichever is earlier. The member may elect to have:
 - (i) Deductions from the member's compensation of twice the contribution rate provided for in section 88-45 over a period equal to the period for which membership service credit is allowable not to exceed sixty months; or
 - (ii) Deductions from the member's compensation of one and one-half times the contribution rate provided for in section 88-45 over a period equal to twice the period for

which membership service credit is allowable not to exceed sixty months; or

- (B) By lump sum payment of contributions computed at the contribution rate provided for in section 88-45 applied to the member's monthly rate of compensation at the time of payment multiplied by the number of months for which membership service credit is allowable; provided that after July 1, 1982, this method shall not be available to any new member with fewer than five years of membership service exclusive of any previous service acquired under subparagraph (A).
- (2) If the ~~[deductions commence or the lump sum]~~ payment is made after June 30, 2020[
 (A) ~~By deductions from the member's compensation pursuant to section 414(h)(2) of the Internal Revenue Code of 1986, as amended, under the employer pick-up plan under section 88-46. An irrevocable payroll authorization filed by the member for a period not to exceed sixty months shall remain in effect until the completion of the payroll payments or termination of employment, whichever is earlier. The amount of the deductions shall be sufficient to amortize the actuarial cost of the membership service to be credited, together with interest at the investment yield rate assumption in effect as of the date the claim for service credit is made, in level twice-monthly payments over the period specified in the irrevocable authorization. Service credited shall be proportional on the basis of whole months. For example, if a member elects to acquire twenty-four months of service over sixty months and terminates employment after thirty and one-half months of deductions, the member will acquire twelve months of membership service credit; or~~
 (B) ~~By]~~, by lump sum payment equal to the actuarial cost of the membership service to be credited; provided that the member has at least five years of membership exclusive of any previous service acquired under paragraph (1) ~~[or subparagraph (A)]~~.

The actuarial cost of the membership service to be credited shall be determined by the actuary for the system based on the age of the member in full years as of the date the claim for service credit is made, the investment yield rate assumption in effect as of the date the claim for service credit is made, the retirement age eligibility requirements and retirement allowance provisions applicable to the member, and other actuarial assumptions adopted by the board in effect as of the date the claim for service credit is made.

The deductions from compensation or lump sum payment shall be paid to the system and shall be credited to the member's individual account and become part of the member's accumulated contributions."

SECTION 3. Section 88-324, Hawaii Revised Statutes, is amended by amending subsections (b) and (c) to read as follows:

"(b) Except as otherwise provided in subsection (c), (d), or (e), verified membership service shall be paid for in any one of the following methods, at the member's option:

- (1) If deductions commence or the lump sum payment is made prior to July 1, 2020:
 (A) By deductions from the member's compensation pursuant to section 414(h)(2) of the Internal Revenue Code of 1986, as

amended, under the employer pick up plan under section 88-326. An irrevocable payroll authorization filed by the member for a period not to exceed sixty months shall remain in effect until the completion of the payroll payments or termination of employment, whichever is earlier. The amount of service credit that may be acquired pursuant to this method shall not exceed the period over which the payroll payments are made. The member may elect to have:

- (i) Deductions from the member's compensation of twice the contribution rate provided for in section 88-325 over a period equal to the period for which membership service credit is allowable not to exceed sixty months; or
 - (ii) Deductions from the member's compensation of one and one-half times the contribution rate provided for in section 88-325 over a period equal to twice the period for which membership service credit is allowable, not to exceed sixty months; or
- (B) By lump sum payment of contributions computed at the contribution rate provided for in section 88-325 applied to the member's monthly rate of compensation at the time of payment multiplied by the number of months for which membership service credit is allowable.
- (2) If the ~~[deductions commence or the lump sum]~~ payment is made after June 30, 2020[~~]:~~
- (A) ~~By deductions from the member's compensation pursuant to section 414(h)(2) of the Internal Revenue Code of 1986, as amended, under the employer pick up plan under section 88-326. An irrevocable payroll authorization filed by the member for a period not to exceed sixty months shall remain in effect until the completion of the payroll payments or termination of employment, whichever is earlier. The amount of the deductions shall be sufficient to amortize the actuarial cost of the membership service to be credited, together with interest at the investment yield rate assumption in effect as of the date the claim for service credit is made, in level twice monthly payments over the period specified in the irrevocable authorization. Service credited shall be proportional on the basis of whole months. For example, if a member elects to acquire twenty-four months of service over sixty months and terminates employment after thirty and one-half months of deductions, the member will acquire twelve months of membership service credit; or~~
 - (B) ~~By]~~ by lump sum payment equal to the actuarial cost of the membership service to be credited; provided that the member has at least five years of membership exclusive of any previous service acquired under paragraph (1) ~~[or subparagraph (A)]~~.

The actuarial cost of the membership service to be credited shall be determined by the actuary for the system based on the age of the member in full years as of the date the claim for service credit is made, the investment yield rate assumption in effect as of the date the claim for service credit is made, the retirement age eligibility requirements and retirement allowance provisions applicable to the member, and other actuarial assumptions adopted by the board in effect as of the date the claim for service is made.

The deductions from compensation or lump sum payment shall be paid to the system and shall be credited to the member's individual account and become part of the member's accumulated contributions.

Class H membership service credit in addition to any other service credited to the member shall be allowed for the period for which the deductions from compensation or lump sum payment have been made in accordance with this subsection; provided that payment shall commence within one year after the system notifies the member that the service claimed has been verified and that service credit is allowable; provided further that, for a member who becomes a member after June 30, 2016: membership service credit for prior service or for service rendered prior to the member's last becoming a member shall be claimed within one year after the member enters service; membership service credit for military service pursuant to section 88-132.5 shall be claimed within one year after the member meets the requirements of section 88-132.5(a) or (b); and any other membership service credit acquired pursuant to this section shall be claimed within one year after the member becomes eligible to receive the service credit upon satisfaction of the requirements of this section.

(c) Verified membership service for which a former class A or class B member in service on June 30, 2006, was eligible as of June 30, 2006, but failed to claim by the date established by the board pursuant to section 88-322(b), shall be paid for in any one of the following methods, at the member's option:

- (1) If deductions commence or the lump sum payment is made prior to July 1, 2020:
 - (A) By deductions from the member's compensation pursuant to section 414(h)(2) of the Internal Revenue Code of 1986, as amended, under the employer pick up plan under section 88-326. An irrevocable payroll authorization filed by the member for a period not to exceed sixty months shall remain in effect until the completion of the payroll payments or termination of employment, whichever is earlier. The amount of service credit that may be acquired pursuant to this method shall not exceed the period over which the payroll payments are made. The member may elect to have:
 - (i) Deductions from the member's compensation of twice the contribution rate applicable to the member under section 88-45 as of June 30, 2006, over a period equal to the period for which membership service credit is allowable, not to exceed sixty months; or
 - (ii) Deductions from the member's compensation of one and one-half times the contribution rate applicable to the member under section 88-45 as of June 30, 2006, over a period equal to twice the period for which membership service credit is allowable, not to exceed sixty months; or
 - (B) By lump sum payment of contributions computed at the contribution rate applicable to the member under section 88-45 as of June 30, 2006, applied to the member's monthly rate of compensation at the time of payment, multiplied by the number of months for which membership service credit is allowable.
- (2) If the ~~[deductions commence or the lump sum]~~ payment is made after June 30, 2020~~]:~~
 - (A) ~~By deductions from the member's compensation pursuant to section 414(h)(2) of the Internal Revenue Code of 1986, as amended, under the employer pick up plan under section 88-46. An irrevocable payroll authorization filed by the member~~

~~for a period not to exceed sixty months shall remain in effect until the completion of the payroll payments or termination of employment, whichever is earlier. The amount of the deductions shall be sufficient to amortize the actuarial cost of the membership service to be credited, together with interest at the investment yield rate assumption in effect as of the date the claim for service credit is made, in level twice monthly payments over the period specified in the irrevocable authorization. Service credited shall be proportional on the basis of whole months. For example, if a member elects to acquire twenty-four months over sixty months and terminates employment after thirty and one half months of deductions, the member will acquire twelve months of membership service credit; or~~
(B) By, by lump sum payment equal to the actuarial cost of the membership service to be credited; provided that the member has at least five years of membership exclusive of any previous service acquired under paragraph (1) [~~or subparagraph (A)~~].

The actuarial cost of the membership service to be credited shall be determined by the actuary for the system based on the age of the member in full years as of the date the claim for service credit is made, the investment yield rate assumption in effect as of the date the claim for service credit is made, the retirement age eligibility requirements and retirement allowance provisions applicable to the member, and other actuarial assumptions adopted by the board in effect as of the date the claim for service is made.

The deductions from compensation or lump sum payment shall be paid to the system and shall be credited to the member's individual account and become part of the member's accumulated contributions.

Class H membership service credit in addition to any other service credited to the member shall be allowed for the period for which the deductions from compensation or lump sum payment have been made in accordance with this subsection; provided that payment shall commence within one year after the system notifies the member that the service claimed has been verified and that service credit is allowable; and provided further that, for a member who becomes a member after June 30, 2016: membership service credit for prior service or for service rendered prior to the member's last becoming a member shall be claimed within one year after the member enters service; membership service credit for military service pursuant to section 88-132.5 shall be claimed within one year after the member meets the requirements of section 88-132.5(a); and any other membership service credit acquired pursuant to this section shall be claimed within one year after the member becomes eligible to receive the service credit upon satisfaction of the requirements of this section."

SECTION 4. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 5. This Act shall take effect upon its approval.

(Approved June 29, 2018.)

ACT 71

H.B. NO. 2362

A Bill for an Act Relating to Administrative Hearing Officers.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The department of human services has the largest operating budget of any state department, approximately \$3,304,000,000, including seventy-nine per cent of all the executive branch's federal funds. The department provides benefits and services to one in four Hawaii residents or nearly 360,000 individuals.

The department serves vulnerable and needy adults and children statewide and is responsible for diverse and complex programs driven by their own unique and ubiquitous state and federal laws, rules, and regulations. With little overlap between the wide array of services offered by the department and each program's laws and regulations, the breadth of knowledge necessary for effective management of all the programs is extensive and difficult to develop.

The department's programs and services include: protection of vulnerable children and adults; vocational rehabilitation and financial assistance to the disabled; the Supplemental Nutrition Assistance Program; financial assistance; job training and placement; housing and services for the homeless; medicaid services for the State's medically needy population; and prevention, treatment, and housing for the State's youth offenders.

In addition to helping Hawaii's vulnerable individuals, the department manages significant federal and state funds and processes vast amounts of information. The department is currently engaged in investing in an enterprise integrated eligibility system to better serve recipients of public benefits and the State's vulnerable populations.

As required by federal and state laws, regulations, and administrative rules, the department provides applicants and recipients of public benefits with administrative review processes to request relief from an adverse decision made by the department. The department also provides an administrative review process for providers of medical goods or services who disagree with a department's decision.

The department's administrative appeals office receives nearly 1,900 requests annually for administrative relief from applicants or recipients of public benefits or services. Additionally, the administrative appeals office receives approximately thirty requests per year for administrative review from providers of medical goods or services. Administrative appeal hearings are held statewide.

To render timely, impartial, and informed quasi-judicial administrative appeals hearing decisions, the department must maintain a cadre of experienced, trained, and knowledgeable administrative appeals hearing officers to review federal and state laws, regulations, rules, documents, receive testimony, conduct hearings, determine findings of facts and conclusions of law, and render final administrative appeal hearing decisions.

Timely, accurate, and prompt administrative appeals hearing decisions in contested cases positively help eligible applicants and recipients gain access to benefits and services and support efficiency of government by terminating benefits to ineligible recipients and allowing the department to begin recovery of improperly provided benefits.

The purpose of this Act is to exempt from civil service the administrative appeals hearing officers of the department of human services.

SECTION 2. Section 76-16, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

“(b) The civil service to which this chapter applies shall comprise all positions in the State now existing or hereafter established and embrace all personal services performed for the State, except the following:

- (1) Commissioned and enlisted personnel of the Hawaii National Guard as such, and positions in the Hawaii National Guard that are required by state or federal laws or regulations or orders of the National Guard to be filled from those commissioned or enlisted personnel;
- (2) Positions filled by persons employed by contract where the director of human resources development has certified that the service is special or unique or is essential to the public interest and that, because of circumstances surrounding its fulfillment, personnel to perform the service cannot be obtained through normal civil service recruitment procedures. Any such contract may be for any period not exceeding one year;
- (3) Positions that must be filled without delay to comply with a court order or decree if the director determines that recruitment through normal recruitment civil service procedures would result in delay or noncompliance, such as the Felix-Cayetano consent decree;
- (4) Positions filled by the legislature or by either house or any committee thereof;
- (5) Employees in the office of the governor and office of the lieutenant governor, and household employees at Washington Place;
- (6) Positions filled by popular vote;
- (7) Department heads, officers, and members of any board, commission, or other state agency whose appointments are made by the governor or are required by law to be confirmed by the senate;
- (8) Judges, referees, receivers, masters, jurors, notaries public, land court examiners, court commissioners, and attorneys appointed by a state court for a special temporary service;
- (9) One bailiff for the chief justice of the supreme court who shall have the powers and duties of a court officer and bailiff under section 606-14; one secretary or clerk for each justice of the supreme court, each judge of the intermediate appellate court, and each judge of the circuit court; one secretary for the judicial council; one deputy administrative director of the courts; three law clerks for the chief justice of the supreme court, two law clerks for each associate justice of the supreme court and each judge of the intermediate appellate court, one law clerk for each judge of the circuit court, two additional law clerks for the civil administrative judge of the circuit court of the first circuit, two additional law clerks for the criminal administrative judge of the circuit court of the first circuit, one additional law clerk for the senior judge of the family court of the first circuit, two additional law clerks for the civil motions judge of the circuit court of the first circuit, two additional law clerks for the criminal motions judge of the circuit court of the first circuit, and two law clerks for the administrative judge of the district court of the first circuit; and one private secretary for the administrative director of the courts, the deputy administrative director of the courts, each department head, each deputy or first assistant, and each additional deputy, or assistant deputy, or assistant defined in paragraph (16);

- (10) First deputy and deputy attorneys general, the administrative services manager of the department of the attorney general, one secretary for the administrative services manager, an administrator and any support staff for the criminal and juvenile justice resources coordination functions, and law clerks;
- (11) (A) Teachers, principals, vice-principals, complex area superintendents, deputy and assistant superintendents, other certificated personnel, not more than twenty noncertificated administrative, professional, and technical personnel not engaged in instructional work;
- (B) Effective July 1, 2003, teaching assistants, educational assistants, bilingual/bicultural school-home assistants, school psychologists, psychological examiners, speech pathologists, athletic health care trainers, alternative school work study assistants, alternative school educational/supportive services specialists, alternative school project coordinators, and communications aides in the department of education;
- (C) The special assistant to the state librarian and one secretary for the special assistant to the state librarian; and
- (D) Members of the faculty of the University of Hawaii, including research workers, extension agents, personnel engaged in instructional work, and administrative, professional, and technical personnel of the university;
- (12) Employees engaged in special, research, or demonstration projects approved by the governor;
- (13) (A) Positions filled by inmates, patients of state institutions, persons with severe physical or mental disabilities participating in the work experience training programs;
- (B) Positions filled with students in accordance with guidelines for established state employment programs; and
- (C) Positions that provide work experience training or temporary public service employment that are filled by persons entering the workforce or persons transitioning into other careers under programs such as the federal Workforce Investment Act of 1998, as amended, or the Senior Community Service Employment Program of the Employment and Training Administration of the United States Department of Labor, or under other similar state programs;
- (14) A custodian or guide at Iolani Palace, the Royal Mausoleum, and Hulihee Palace;
- (15) Positions filled by persons employed on a fee, contract, or piecework basis, who may lawfully perform their duties concurrently with their private business or profession or other private employment and whose duties require only a portion of their time, if it is impracticable to ascertain or anticipate the portion of time to be devoted to the service of the State;
- (16) Positions of first deputies or first assistants of each department head appointed under or in the manner provided in section 6, article V, of the Hawaii State Constitution; three additional deputies or assistants either in charge of the highways, harbors, and airports divisions or other functions within the department of transportation as may be assigned by the director of transportation, with the approval of the governor; four additional deputies in the department

- of health, each in charge of one of the following: behavioral health, environmental health, hospitals, and health resources administration, including other functions within the department as may be assigned by the director of health, with the approval of the governor; an administrative assistant to the state librarian; and an administrative assistant to the superintendent of education;
- (17) Positions specifically exempted from this part by any other law; provided that:
 - (A) Any exemption created after July 1, 2014, shall expire three years after its enactment unless affirmatively extended by an act of the legislature; and
 - (B) All of the positions defined by paragraph (9) shall be included in the position classification plan;
 - (18) Positions in the state foster grandparent program and positions for temporary employment of senior citizens in occupations in which there is a severe personnel shortage or in special projects;
 - (19) Household employees at the official residence of the president of the University of Hawaii;
 - (20) Employees in the department of education engaged in the supervision of students during meal periods in the distribution, collection, and counting of meal tickets, and in the cleaning of classrooms after school hours on a less than half-time basis;
 - (21) Employees hired under the tenant hire program of the Hawaii public housing authority; provided that not more than twenty-six per cent of the authority's workforce in any housing project maintained or operated by the authority shall be hired under the tenant hire program;
 - (22) Positions of the federally funded expanded food and nutrition program of the University of Hawaii that require the hiring of nutrition program assistants who live in the areas they serve;
 - (23) Positions filled by persons with severe disabilities who are certified by the state vocational rehabilitation office that they are able to perform safely the duties of the positions;
 - (24) The sheriff;
 - (25) A gender and other fairness coordinator hired by the judiciary;
 - (26) Positions in the Hawaii National Guard youth and adult education programs; ~~and~~
 - (27) In the state energy office in the department of business, economic development, and tourism, all energy program managers, energy program specialists, energy program assistants, and energy analysts~~[-]; and~~
 - (28) Administrative appeals hearing officers in the department of human services.

The director shall determine the applicability of this section to specific positions.

Nothing in this section shall be deemed to affect the civil service status of any incumbent as it existed on July 1, 1955."

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect on July 1, 2018.

(Approved June 29, 2018.)

ACT 72

H.B. NO. 2175

A Bill for an Act Relating to Metropolitan Planning Organizations.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 279D-2, Hawaii Revised Statutes, is amended by adding a new definition to be appropriately inserted and to read as follows:

“Metropolitan planning area” means a metropolitan planning area determined under title 23 United States Code section 134, as amended.”

SECTION 2. Section 279D-6, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

“(a) Policy board membership shall be established by comprehensive agreement, including any applicable supplemental agreements and bylaws[-]; provided that a metropolitan planning organization serving a metropolitan planning area within the jurisdiction of any county with a resident population of more than 125,000 but less than 195,000 shall include as members of its policy board:

- (1) At least one member that shall be a resident of the applicable metropolitan planning area and a member of the senate appointed by the president of the senate; and
- (2) At least one member that shall be a resident of the applicable metropolitan area and a member of the house of representatives appointed by the speaker of the house of representatives.”

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect upon its approval; provided that a metropolitan planning organization policy board member whose term may be affected by this Act shall continue to serve on the policy board until the member's term expires or the member is replaced by the respective presiding officer of the house of the legislature with appointing authority over the respective policy board seat, whichever occurs first.

(Approved June 29, 2018.)

ACT 73

H.B. NO. 2161

A Bill for an Act Relating to Vehicle Inspection Stations.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that revoking or suspending vehicle inspection station licenses leads to unemployment for the employees of the station. This shifts the consequences of noncompliance with inspection requirements from station owners or management to station employees who may have little or no decision-making power in regards to station operation.

The purpose of this Act is to end the burden of unemployment due to a revocation or suspension of an inspection station's license, which may impact station workers and their families, communities, and the State.

ACT 74

SECTION 2. Section 286-28, Hawaii Revised Statutes, is amended to read as follows:

“~~§286-28 [Suspension or revocation of permits.]~~ Fines. The department shall supervise and cause inspections to be made of official inspection stations and shall ~~[suspend or revoke and require the surrender of the permit issued]~~ issue a fine in an amount determined by the department by rule, to a station which it finds is not properly conducting inspections. After three violations, the vehicle inspection station license will be subject to suspension or revocation. The department shall maintain and post at its office lists of all stations holding permits and those whose permits have been suspended or revoked.”

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect on July 1, 2018.

(Approved June 29, 2018.)

ACT 74

H.B. NO. 2003

A Bill for an Act Relating to Driving While Intoxicated.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 291E-44.5, Hawaii Revised Statutes, is amended by amending subsections (d) and (e) to read as follows:

“(d) A request made pursuant to subsection (c) shall be accompanied by:

(1) A sworn statement from the respondent containing facts establishing that the respondent currently is employed in a position that requires driving and that the respondent will be discharged if prohibited from driving a vehicle not equipped with an ignition interlock device; and

(2) A sworn statement from the respondent’s employer establishing that the employer will, in fact, discharge the respondent if the respondent ~~[is prohibited from driving a vehicle]~~ cannot drive a vehicle that is not equipped with an ignition interlock device and identifying the specific vehicle or vehicles the respondent will drive for the purposes of employment and the hours of the day [the respondent will drive], not to exceed twelve hours per day, or the period of the specified assigned hours of work, the respondent will drive the vehicle or vehicles for purposes of employment.

(e) A permit issued pursuant to subsection (c) shall include restrictions allowing the respondent to drive:

(1) Only during specified hours of employment, not to exceed twelve hours per day, ~~or the period of the specified assigned hours of work,~~ and only for activities solely within the scope of the employment;

(2) Only the vehicles specified; and

(3) Only if the permit is kept in the respondent’s possession while operating the employer’s vehicle.

In addition, the director may impose other appropriate restrictions.”

SECTION 2. Section 291E-61, Hawaii Revised Statutes, is amended by amending subsections (e) and (f) to read as follows:

“(e) A request made pursuant to subsection (d) shall be accompanied by:

- (1) A sworn statement from the defendant containing facts establishing that the defendant currently is employed in a position that requires driving and that the defendant will be discharged if prohibited from driving a vehicle not equipped with an ignition interlock device; and
- (2) A sworn statement from the defendant’s employer establishing that the employer will, in fact, discharge the defendant if the defendant ~~[is prohibited from driving a vehicle]~~ cannot drive a vehicle that is not equipped with an ignition interlock device and identifying the specific vehicle the defendant will drive for purposes of employment and the hours of the day, not to exceed twelve hours per day, or the period of the specified assigned hours of work, the defendant will drive the vehicle for purposes of employment.

(f) A permit issued pursuant to subsection (d) shall include restrictions allowing the defendant to drive:

- (1) Only during specified hours of employment, not to exceed twelve hours per day, or the period of the specified assigned hours of work, and only for activities solely within the scope of the employment;
- (2) Only the vehicle specified; and
- (3) Only if the permit is kept in the defendant’s possession while operating the employer’s vehicle.”

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect on July 1, 2018.

(Approved June 29, 2018.)

ACT 75

S.B. NO. 2013

A Bill for an Act Relating to Civil Identification.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 286-303, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

“(b) Application for renewal of an identification card issued after November 1, 1998, for an individual eighty years of age or older may be done by mailing in a completed application and fee, if there is no change in name and citizenship status. The director shall adopt rules to allow for renewal by mail for individuals with physical or intellectual disabilities for whom application in person presents a serious burden. For an individual who has a letter from a licensed primary care provider certifying that a severe disability causes the individual to be homebound, the director shall adopt rules allowing for application for renewal of an identification card under this section by means other than in person appearance.”

SECTION 2. New statutory material is underscored.

SECTION 3. This Act shall take effect upon its approval.

(Approved June 29, 2018.)

A Bill for an Act Relating to Motor Vehicle Weight Tax.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that the Hawaii Revised Statutes imposes a state motor vehicle weight tax for various types of vehicles and authorizes the counties to impose their own motor vehicle weight tax.

The legislature finds that residents with a disability who purchase or retrofit a non-commercial vehicle with a lift or ramp designed to provide ingress and egress in the vehicle by the person with disability pay more in state and county motor vehicle weight taxes in comparison to residents with non-modified vehicles. The extra weight of the vehicle is due to the lifts and ramps, any required motors, and additional reinforcement of the vehicle chassis.

The purpose of this Act is to exempt the weight of any lifts or ramps installed to assist a person with a disability on a non-commercial vehicle for purposes of computing annual state and county motor vehicle weight taxes.

SECTION 2. Section 249-1, Hawaii Revised Statutes, is amended by amending the definition of "net weight" to read as follows:

"Net weight" of a vehicle means the actual weight of the vehicle, as determined on a standard scale, including all equipment and accessories ordinarily attached to and used on the vehicle and, in the case of a motor vehicle, the maximum fuel, oil, and water possible of being carried for its operation; provided that "net weight" of a new standard equipped vehicle, other than a motor vehicle, means the shipping weight thereof as established by its manufacturer, and "net weight" of a new standard equipped passenger vehicle means the shipping weight thereof as established by its manufacturer, plus one hundred pounds, and "net weight" of a new standard equipped motorcycle, motor scooter, or moped, means the shipping weight thereof as established by its manufacturer, plus thirty pounds, and "net weight" of a new standard equipped truck means the shipping weight thereof as established by its manufacturer, plus two hundred pounds. On initial registration of a standard equipped vehicle, other than a motor vehicle, for which the director of finance has the manufacturer's established weight, the director of finance, in lieu of requiring the vehicle to be weighed and in order to determine the "net weight" thereof, may use such established weight and may require the owner to furnish verification of the factory serial number of the vehicle. On initial registration of standard equipped passenger vehicles, motorcycles, motor scooters, mopeds, and trucks for which the director of finance has the manufacturer's established weights, the director of finance, in lieu of requiring such motor vehicles to be weighed and in order to determine the "net weight" thereof, may use such established weights, adding one hundred pounds in the case of standard equipped passenger vehicles, thirty pounds in the case of standard equipped motorcycles, motor scooters, and mopeds, and two hundred pounds in the case of standard equipped trucks, and may require the owners to furnish verification of factory serial and engine numbers of such motor vehicles. As to a vehicle for which the manufacturer's weight is not available or whose make and model cannot be determined with reasonable certainty or which has been so altered as to increase or diminish the weight thereof, "net weight" means the actual weight of such vehicle, as determined on a standard scale, including all equipment and accessories ordinarily attached to and used on the vehicle and, in the case of a motor vehicle, the maximum fuel, oil, and water possible of being carried for its operation. Notwithstanding the foregoing provi-

sions, for all non-commercial vehicles, the weight of any vehicle modifications made to assist a person with a disability to enter or exit the vehicle, including but not limited to lifts, ramps, motors to power lifts or ramps, and chassis reinforcements, shall be excluded from the determination of the vehicle's net weight. In all cases information shall be presented to and in the manner prescribed by the director of finance."

SECTION 3. New statutory material is underscored.

SECTION 4. This Act shall take effect on July 1, 2019.

(Approved June 29, 2018.)

ACT 77

S.B. NO. 2854

A Bill for an Act Relating to Mopeds.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that mopeds provide an inexpensive, reliable, and convenient means of transportation. Mopeds can be illegally modified and converted to be able to reach speeds above the legal limit. Illegally altered mopeds have had a detrimental impact on neighborhoods due to the loud noises that disturb residents.

The legislature further finds that Act 200, Session Laws of Hawaii 2016 (Act 200), was enacted to require annual registration and safety inspections for mopeds as a means of helping to resolve the ongoing issue of illegally modified mopeds. While about five thousand mopeds have since been registered under the new law, it is believed that there may still be thousands that have not been registered. While there are penalties for failing to have a safety inspection and for illegal modifications, Act 200 did not include a penalty for failure to register a moped. The Honolulu police department recommends authorizing a fine for unregistered mopeds to encourage compliance.

The purpose of this Act is to establish a fine for failure to register a moped.

SECTION 2. Section 249-14.1, Hawaii Revised Statutes, is amended to read as follows:

"[§249-14.1] Number plates for mopeds; registration[-]; fine. (a) The director of finance shall cause to be produced number plates and tags or emblems for the registration of mopeds operated in the State.

(b) The director of finance shall number and register the moped in the owner's name in a permanent record or book to be kept by the director of finance for this purpose, and shall furnish the owner thereof with a receipt showing upon its face the license number issued for the moped. The registration of mopeds shall occur on a staggered basis as agreed upon by the counties' director of finance. The registration fee shall be \$27 per year. The director of finance shall also furnish the owner, upon the original registration of the moped, one plate with the registration number marked thereon. Upon the payment of a registration fee for each year, a tag or emblem bearing a serial number and the month and year of expiration shall be provided to the owner. Transfer of current number plates, tag, or emblem, except as authorized by this chapter, is punishable by a fine of not more than \$50 for each offense.

ACT 78

(c) Upon an original registration the director of finance shall fix, and shall charge to the owner, a fee equal to the cost of the number plate and tag or emblem plus the administrative cost of furnishing the plate and tag or emblem and effecting the registration. Upon the issuance of a new series of number plates, the director of finance shall charge the owner a fee equal to the costs of the number plate plus the administrative cost of furnishing the plate. Upon issuing a tag or emblem, the director of finance shall charge the owner a fee of 50 cents. The owner shall securely fasten the number plate on the rear of the moped at a location provided by the manufacturer or in the absence of such a location upon the ~~[bumper]~~ fender of the moped and in conformance with section 291-31, in such a manner as to prevent the plate from swinging. The number plate shall at all times be displayed entirely unobscured and be kept reasonably clean.

(d) Upon the issuance of the tag or emblem, the owner shall affix the tag or emblem to the top right portion of the rear number plate.

(e) An owner who fails to comply with the registration requirements of this section shall be subject to a fine not to exceed \$100 per violation.”

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect upon its approval.

(Approved June 29, 2018.)

ACT 78

H.B. NO. 2144

A Bill for an Act Related to Medicaid.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 353H-32, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

“(b) The department, in collaboration with appropriate federal, state, and county agencies, shall inform inmates of the availability of departmental assistance to obtain the inmate’s birth certificate, social security card, and any other relevant identification documents necessary for the inmate to transition into the workforce, access social services, secure or verify applicable medicaid eligibility, and secure housing, and upon request shall assist the inmates who have one year or less prior to the inmate’s parole or release date.”

SECTION 2. New statutory material is underscored.

SECTION 3. This Act shall take effect on July 1, 2018.

(Approved June 29, 2018.)

ACT 79

H.B. NO. 2389

A Bill for an Act Relating to Parole.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 353-14, Hawaii Revised Statutes, is amended to read as follows:

“§353-14 Cash furnished discharged committed person, when. (a) Upon the discharge or parole of any committed person who has undergone a commitment or sentence of more than one year, the committed person may be furnished by the Hawaii paroling authority, in its discretion, with funds of not more than \$200, to meet the committed person’s immediate needs[-]; provided that legislative appropriations for this specific purpose have been authorized and allocated to the authority. The expenditures made by the Hawaii paroling authority shall be included among the accounts for cost and maintenance of committed persons.

(b) The Hawaii paroling authority shall not use any moneys appropriated pursuant to subsection (a) for any purpose other than to meet a committed person’s immediate needs.”

SECTION 2. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 3. This Act shall take effect on July 1, 2018.

(Approved June 29, 2018.)

ACT 80

S.B. NO. 2153

A Bill for an Act Relating to Organizational Reports of Candidate Committees.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 11-322, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

“(a) The candidate committee organizational report shall include:

- (1) The committee’s name and address, including web page address, if any;
- (2) The candidate’s name, address, and telephone number;
- (3) The office being sought by the candidate, district, and party affiliation;
- (4) The chairperson’s name and address and, if appointed, the deputy chairperson’s name and address;
- (5) The treasurer’s name and address and, if appointed, all deputy treasurers’ names and addresses;
- (6) The name and address of each depository institution in which the committee will maintain any of its accounts and the applicable account number; and
- (7) A certification by the candidate and treasurer of the statements in the organizational report[~~;-and~~
- (8) ~~The name and address of each contributor who contributed an aggregate amount of more than \$100 to the candidate committee since the last election applicable to the office being sought and the amount and date of deposit of each such contribution].”~~

SECTION 2. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 3. This Act shall take effect on July 1, 2018.

(Approved June 29, 2018.)

A Bill for an Act Relating to Organizational Reports of Noncandidate Committees.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 11-323, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

- “(a) The noncandidate committee organizational report shall include:
- (1) The committee’s name, which shall incorporate the full name of the sponsoring entity, if any. An acronym or abbreviation may be used in other communications if the acronym or abbreviation is commonly known or clearly recognized by the general public. The committee’s name shall not include the name of a candidate;
 - (2) The committee’s address, including web page address, if any;
 - (3) The area, scope, or jurisdiction of the committee;
 - (4) The name and address of the committee’s sponsoring entity. If the committee does not have a sponsoring entity, the committee shall specify the trade, profession, or primary interest of contributors to the committee;
 - (5) The name, address, telephone number, occupation, and principal place of business of the chairperson;
 - (6) The name, address, telephone number, occupation, and principal place of business of the treasurer and any other officers;
 - (7) An indication as to whether the committee was formed to support or oppose a specific ballot question or candidate and, if so, a brief description of the question or the name of the candidate;
 - (8) An indication as to whether the committee is a political party committee;
 - (9) The name, address, telephone number, occupation, and principal place of business of the custodian of the books and accounts;
 - (10) The name and address of the depository institution in which the committee will maintain its campaign account and each applicable account number; and
 - (11) A certification by the chairperson and treasurer of the statements in the organizational report[; and
 - (12) ~~The name, address, employer, and occupation of each contributor who contributed an aggregate amount of more than \$100 to the noncandidate committee since the last election and the amount and date of deposit of each such contribution; provided that, for noncandidate committees making only independent expenditures, if a contribution of more than \$10,000 in the aggregate in an election period is received from an entity other than an individual, for-profit business entity, or labor union, then the report shall include:~~
 - (A) ~~The internet address where the contributing entity’s disclosure report can be publicly accessed, if the contributing entity is subject to any state or federal disclosure reporting requirements regarding the source of the contributing entity’s funds;~~
 - (B) ~~The name, address, occupation, and employer of each funding source of \$100 or more in the aggregate in an election period to that contributing entity; or~~
 - (C) ~~An acknowledgment that the contributing entity is not subject to any state or federal disclosure reporting requirements regarding the source of the contributing entity’s funds].”~~

SECTION 2. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 3. This Act shall take effect on July 1, 2018.

(Approved June 29, 2018.)

ACT 82

S.B. NO. 2738

A Bill for an Act Relating to Found Electronic Devices.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that the information privacy and security council, administratively attached to the department of accounting and general services, was established by Act 10, Special Session Laws of Hawaii 2008, and codified into law under section 487N-5, Hawaii Revised Statutes, to develop guidelines to be considered by government agencies in deciding whether, how, and when a government agency shall inform affected individuals of the loss, disclosure, or security breach of personal information that can contribute to identity theft. Personal information is defined in section 487N-1, Hawaii Revised Statutes, as “an individual’s first name or first initial and last name in combination with any one or more of the following data elements, when either the name or the data elements are not encrypted:

- (1) Social security number;
- (2) Driver’s license number or Hawaii identification card number; or
- (3) Account number, credit or debit card number, access code, or password that would permit access to an individual’s financial account.”

Currently, some local and state government agencies, including county law enforcement, are required under sections 52D-14 and 261-17.7, Hawaii Revised Statutes, to provide unclaimed property to finders after forty-five days. Given that cell phones, computers, and other electronic devices may contain personal information, the legislature agrees with the council’s recommendation that state law be amended to keep pace with technology so that personal information on these devices is protected.

The purpose of this Act is to protect the personal information of individuals by providing county police departments and the department of transportation the authority to sanitize unclaimed electronic devices, in accordance with recognized standards and guidelines, before providing the unclaimed property to finders or disposing of the property by public auction or other means.

SECTION 2. Section 52D-14, Hawaii Revised Statutes, is amended to read as follows:

“~~§52D-14~~ Duty and right of finders. (a) Except as provided in section 261-17.7, all money or property found shall be reported or delivered by the finder to the chief of police of the county. When so delivered, it shall be held by the chief of police for forty-five days or until claimed by some person who establishes title or right of custody thereto to the satisfaction of the chief of police. If title or right of custody is established, the money or property shall be delivered to the claimant by the chief of police.

(b) If no claim is made or no such right is established within the forty-five days, the money or property shall be returned to the person who delivered it to the chief of police~~[5]~~, except as provided in subsection (c); provided that if the person who delivered it to the chief of police fails to claim the money or

property within thirty days after being notified by the chief of police that the person is entitled to possession, the chief of police shall dispose of the money or property in accordance with the procedures established in section 52D-10. For the purpose of this section, notice by regular mail to the person's last known address shall be sufficient.

(c) Before an electronic device that allows for storage of personal information is returned to the finder or disposed of by public auction or other means, the device shall be sanitized in accordance with guidance provided by the information privacy and security council to ensure removal of personal information. If removal of personal information is not possible or cannot be verified without unreasonable expense, the device shall be destroyed in a manner sufficient to eliminate the information, and then disposed of or recycled. The chief of police shall make reasonable efforts to notify the finder that the device was destroyed and disposed of or recycled because personal information could not be removed.

For purposes of this subsection, "personal information" shall have the same meaning as in section 487N-1."

SECTION 3. Section 261-17.7, Hawaii Revised Statutes, is amended to read as follows:

"§261-17.7 Lost and found money or property at airports. (a) All money or property found at an airport owned or controlled by the department shall be reported or delivered by the finder to the airport lost and found, and when so delivered shall be held by the department for forty-five days or until claimed by some person who establishes title or right of custody thereto to the satisfaction of the department. In the event of the establishment of title or right of custody, the money or property shall be delivered to the claimant by the director or the director's agent. If within forty-five days no claimant establishes a right to the money or property, the money or property, except as provided in subsection (d) with regard to electronic devices, shall be returned to the person who delivered it to the airport lost and found; provided that if the person who delivered it to the airport lost and found fails to claim the money or property within thirty days after being notified by the director, the director shall deposit the money into the state treasury to the credit of the airport revenue fund or shall dispose of the property by public auction.

(b) At least once annually, the director shall give public notice giving details as to time and place of the auction and giving notice to all persons interested or claiming the property that unless claims are made by persons who can provide satisfactory proof of ownership before a specified date, the property will be sold at public auction to the highest bidder. On the day and at the place specified in the notice, all property for which no satisfactory proof of ownership is made shall be sold by auction by or under the direction of the director.

If any property ~~[which]~~ that is of a perishable nature or unreasonably expensive to keep or safeguard remains unclaimed at the airport, the director may sell that property at public auction, at a time and after notice that is reasonable under the circumstances. The director shall immediately after the sale of any property pay to the airport revenue fund all moneys received by the director upon sale.

(c) For the purpose of this section, notice by regular mail to the last known address of the person who delivered the money or property to the airport lost and found shall be deemed sufficient.

(d) Before an electronic device that allows for storage of personal information is returned to the finder or disposed of by public auction or other means, the device shall be sanitized by the director or the director's agent in accordance

with guidance provided by the information privacy and security council to ensure removal of personal information. If removal of personal information is not possible or cannot be verified without unreasonable expense, the device shall be destroyed in a manner sufficient to eliminate the information, and then disposed of or recycled. The director or the director's agent shall make reasonable efforts to notify the finder that the device was destroyed and disposed of or recycled because personal information could not be removed.

For purposes of this subsection, "personal information" shall have the same meaning as in section 487N-1."

SECTION 4. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 5. This Act shall take effect upon its approval.

(Approved June 29, 2018.)

ACT 83

S.B. NO. 2581

A Bill for an Act Relating to the King Kamehameha Celebration Commission.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 8-5, Hawaii Revised Statutes, is amended as follows:

1. By amending subsection (a) to read:

"(a) There shall be a commission to be known as the King Kamehameha celebration commission placed within the department of accounting and general services for administrative purposes. The commission shall consist of ~~[thirteen]~~ fifteen members to be appointed by the governor in the manner provided by section 26-34. The appointments shall be made from the following organizations, with ~~[at least]~~ one member from each organization:

- (1) Royal Order of Kamehameha I;
- (2) 'Ahahui Ka'ahumanu;
- (3) Hale O Nā Ali'i O Hawai'i 'Ahahui Po'o;
- (4) Daughters and Sons of Hawaiian Warriors[;] Māmakakaua;
- (5) Kamehameha Schools Alumni Association;
- (6) Association of Hawaiian Civic Clubs;
- (7) ~~[Waimanalo Homesteaders Association;]~~ Waimānalo Hawaiian Homes Association;
- (8) Daughters of Hawaii;
- ~~[(8)]~~ (9) Kapahulu Music Club; and
- ~~[(9)]~~ (10) ~~[Papakōlea]~~ Papakōlea Community Association.

Each organization shall maintain a certificate of good standing issued by the department of commerce and consumer affairs and an active membership list. Each organization may recommend for appointment to the commission persons capable of providing administrative guidance to the commission with regard to knowledge of Hawaiian culture, history and protocols, legal issues, business, accounting, marketing, philanthropy, or public relations.

In addition, the governor shall appoint one member to the commission from each of the following islands: Kaua'i, Lāna'i, Maui, Moloka'i, and Hawai'i. Each of these members shall be a resident of the respective island that the member represents. The governor shall appoint persons capable of providing administrative guidance with regard to legal issues, business, accounting, marketing, philanthropy, or public relations."

2. By amending subsections (d) and (e) to read:

“(d) The commission may appoint and dismiss an arts program specialist and a part-time clerk typist, without regard to chapter 76, who shall serve at the commission’s pleasure, and whose salaries shall be provided through fees, public contributions, and private donations. The commission, by majority vote, shall appoint an executive director who shall be familiar with the people and culture of Hawai‘i, and shall serve without regard to chapter 76 for a term to be determined by the commission. Except for matters undertaken by the comptroller pursuant to subsection (f), the executive director shall be responsible for all fiscal and administrative matters, including securing public contributions and private foundation grants or donations. The executive director shall also be responsible for developing and administering programs as the commission may direct. The executive director may be removed for cause at any time by a two-thirds vote of all commission members.

(e) The commission shall ~~[have charge of]~~ manage all arrangements for the celebration under its direction each year generally observed throughout Hawai‘i Nei on June 11, and shall support any other events as it may approve to commemorate the memory of the great Polynesian Hawaiian warrior and statesman King Kamehameha I, who united the Hawaiian Islands into the Kingdom of Hawai‘i, and is recognized as such under section 8-1. The commission may appoint committees and delegate powers and duties to the committees as it shall determine.”

3. By amending subsection (g) to read:

“(g) The commission shall be the coordinating agency for all ~~[state sponsored as well as other celebration]~~ commission-approved events ~~[staged during the celebration period]~~ as provided in subsection (e) and as designated by the commission to ~~[assure]~~ ensure that activities planned are timely and appropriate to commemorate the memory of King Kamehameha I. The commission ~~[is]~~ shall be authorized to determine to whom and for which occasions permission is to be granted for the use of the statue of King Kamehameha I.”

SECTION 2. Members serving on the King Kamehameha celebration commission on the day before the effective date of this Act shall continue to serve until the member’s term expires, at which time new members of the commission shall be appointed in the manner set forth in section 1 of this Act.

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect upon its approval.

(Approved June 29, 2018.)

ACT 84

S.B. NO. 2858

A Bill for an Act Relating to Public Safety.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 107-27, Hawaii Revised Statutes, is amended to read as follows:

“§107-27 **Design of state buildings.** (a) No later than one year after the adoption of codes or standards pursuant to section 107-24(c), the design of all

state building construction shall be in compliance with the Hawaii state building codes, except state building construction shall be allowed to be exempted from:

- (1) County codes that have not adopted the Hawaii state building codes;
- (2) Any county code amendments that are inconsistent with the minimum performance objectives of the Hawaii state building codes or the objectives enumerated in this part; or
- (3) Any county code amendments that are contrary to code amendments adopted by another county.

(b) Exemptions shall include county ordinances allowing the exercise of indigenous Hawaiian architecture adopted in accordance with section 46-1.55.

(c) The State shall consider hurricane resistant criteria when designing and constructing new public schools for the capability of providing shelter refuge.”

SECTION 2. New statutory material is underscored.

SECTION 3. This Act shall take effect upon its approval.

(Approved June 29, 2018.)

ACT 85

S.B. NO. 2382

A Bill for an Act Relating to Public Charter Schools.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 302D-35, Hawaii Revised Statutes, is amended to read as follows:

~~“[§302D-35]~~ **Use of vacant department facilities.** (a) When any department considers whether to close any particular facility, it shall give reasonable consideration to making all or portions of the facility available to public charter schools and early learning programs that are affiliated with a public charter school.

(b) Each department shall provide notice to the superintendent and state public charter school commission identifying suitable unused facilities that may be appropriate for:

- (1) Public charter schools; and
- (2) Early learning programs, including the pre-plus program, that are affiliated with a public charter school.

The department of accounting and general services shall inventory the suitable facilities, and, in determining suitability for educational reuse, priority shall be given to facilities on sites with sufficient space for three or more classrooms.

(c) The department of accounting and general services shall conduct biennial surveys of all departments concerning any unused facilities, or in the case of the department of education any under utilized department schools, that meet the conditions under subsection (b) and maintain an inventory of all such unused or under utilized facilities. The department of accounting and general services shall provide biennial reports on the inventory maintained under this subsection to the state public charter school commission.

~~[(e)]~~ (d) The department of accounting and general services shall adopt rules pursuant to chapter 91 necessary to carry out the purposes of this section.

~~[(d)]~~ (e) For purposes of this section, “department” means all of the departments listed in section 26-4.

~~[(e)]~~ (f) Upon receipt of a notice pursuant to subsection (b), the state public charter school commission shall:

- (1) Solicit applications from public charter schools or early learning programs that are affiliated with a public charter school, respectively, that are interested in using and occupying all or portions of the facilities; and
- (2) Submit a prioritized list of public charter schools or early learning programs that are affiliated with a public charter school, respectively, to the department of accounting and general services for final determination of which public charter schools or early learning programs that are affiliated with a public charter school, if any, shall be authorized to use and occupy the facilities.”

SECTION 2. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 3. This Act shall take effect on July 1, 2018.

(Approved June 29, 2018.)

ACT 86

H.B. NO. 2010

A Bill for an Act Relating to Tourism.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Notwithstanding any agreement between the Hawaii tourism authority and the State of the indebtedness of the Hawaii tourism authority in connection with any general obligation bonds issued pursuant to Act 7, Special Session Laws of Hawaii 1993, that is outstanding as of the effective date of this Act, an amount of \$192,450,289 or so much thereof as may be owed is hereby canceled. To the extent of the amount canceled, the Hawaii tourism authority is relieved of all liability to the State under any agreement, including for any interest due under any agreement and any other fees and charges payable in connection with any agreement, and the total amount of the agreement owed to the State pursuant to any law or agreement shall be considered to be reduced by that amount. The amount of the indebtedness canceled under this section may be treated as a public debt of the State.

SECTION 2. Section 201B-8, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

“(b) Moneys in the convention center enterprise special fund shall be used by the authority for the payment of ~~[any and all of the following:~~

- (1) ~~Debt owed to the department of budget and finance relating to the convention center; and~~
- (2) ~~Expenses]~~ expenses arising from any and all use, operation, maintenance, alteration, improvement, or any unforeseen or unplanned repairs of the convention center, including without limitation the food and beverage service and parking service provided at the convention center facility, the sale of souvenirs, logo items, or other items, for any future major repair, maintenance, and improvement of the convention center facility as a commercial enterprise or as a

world class facility for conventions, entertainment, or public events, and for marketing the facility pursuant to section 201B-7(a)(7).”

SECTION 3. Section 237D-6.5, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

“(b) Except for the revenues collected pursuant to section 237D-2(e), revenues collected under this chapter shall be distributed in the following priority, with the excess revenues to be deposited into the general fund:

- (1) \$1,500,000 shall be allocated to the Turtle Bay conservation easement special fund beginning July 1, 2015, for the reimbursement to the state general fund of debt service on reimbursable general obligation bonds, including ongoing expenses related to the issuance of the bonds, the proceeds of which were used to acquire the conservation easement and other real property interests in Turtle Bay, Oahu, for the protection, preservation, and enhancement of natural resources important to the State, until the bonds are fully amortized;
- (2) ~~[\$26,500,000]~~ \$16,500,000 shall be allocated to the convention center enterprise special fund established under section 201B-8;
- (3) ~~[\$82,000,000]~~ \$79,000,000 shall be allocated to the tourism special fund established under section 201B-11; provided that:
 - (A) Beginning on July 1, 2012, and ending on June 30, 2015, \$2,000,000 shall be expended from the tourism special fund for development and implementation of initiatives to take advantage of expanded visa programs and increased travel opportunities for international visitors to Hawaii;
 - (B) Of the ~~[\$82,000,000]~~ \$79,000,000 allocated:
 - (i) \$1,000,000 shall be allocated for the operation of a Hawaiian center and the museum of Hawaiian music and dance at the Hawaii convention center; and
 - (ii) 0.5 per cent of the ~~[\$82,000,000]~~ \$79,000,000 shall be transferred to a sub-account in the tourism special fund to provide funding for a safety and security budget, in accordance with the Hawaii tourism strategic plan 2005-2015; and
 - (C) Of the revenues remaining in the tourism special fund after revenues have been deposited as provided in this paragraph and except for any sum authorized by the legislature for expenditure from revenues subject to this paragraph, beginning July 1, 2007, funds shall be deposited into the tourism emergency special fund, established in section 201B-10, in a manner sufficient to maintain a fund balance of \$5,000,000 in the tourism emergency special fund;
- (4) \$103,000,000 shall be allocated as follows: Kauai county shall receive 14.5 per cent, Hawaii county shall receive 18.6 per cent, city and county of Honolulu shall receive 44.1 per cent, and Maui county shall receive 22.8 per cent; provided that commencing with fiscal year 2018-2019, a sum that represents the difference between a county public employer’s annual required contribution for the separate trust fund established under section 87A-42 and the amount of the county public employer’s contributions into that trust fund shall be retained by the state director of finance and deposited to the credit of the county public employer’s annual required contribution into that trust fund in each fiscal year, as provided in section

87A-42, if the respective county fails to remit the total amount of the county's required annual contributions, as required under section 87A-43; and

- (5) \$3,000,000 shall be allocated to the special land and development fund established under section 171-19; provided that the allocation shall be expended in accordance with the Hawaii tourism authority strategic plan for:
 - (A) The protection, preservation, maintenance, and enhancement of natural resources, including beaches, important to the visitor industry;
 - (B) Planning, construction, and repair of facilities; and
 - (C) Operation and maintenance costs of public lands, including beaches, connected with enhancing the visitor experience.

All transient accommodations taxes shall be paid into the state treasury each month within ten days after collection and shall be kept by the state director of finance in special accounts for distribution as provided in this subsection.

As used in this subsection, "fiscal year" means the twelve-month period beginning on July 1 of a calendar year and ending on June 30 of the following calendar year."

SECTION 4. There is appropriated out of the general revenues of the State of Hawaii the sum of \$1,000,000 or so much thereof as may be necessary for fiscal year 2018-2019 for the Hawaii tourism authority to implement initiatives, in conjunction with the Hawaii lodging and tourism association, to address homelessness in tourist and resort areas; provided that no funds shall be released unless matched dollar-for-dollar by the private sector.

The sum appropriated shall be expended by the department of business, economic development, and tourism for the purposes of this Act.

SECTION 5. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 6. This Act shall take effect on July 1, 2018.

(Approved June 29, 2018.)

ACT 87

S.B. NO. 2074

A Bill for an Act Relating to the Important Agricultural Land Qualified Agricultural Cost Tax Credit.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 235-110.93, Hawaii Revised Statutes, is amended by amending subsection (l) to read as follows:

"(l) The department of agriculture shall cease certifying credits pursuant to this section [~~after the fourth taxable year following the taxable year during which the credits are first claimed;~~] for taxable years beginning after December 31, 2021; provided that a taxpayer with accumulated, but unclaimed, certified credits may continue claiming the credits in subsequent taxable years until exhausted."

SECTION 2. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 3. This Act shall take effect upon its approval.

(Approved June 29, 2018.)

ACT 88

H.B. NO. 2538

A Bill for an Act Relating to Agriculture.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Act 119, Session Laws of Hawaii 2015, as amended by Act 124, Session Laws of Hawaii 2016, and Acts 29 and 49, Session Laws of Hawaii 2017, is amended as follows:

1. By amending section 47, item A.8.02., to read:

“8.02. LIVE STOCK FEED MILL, OAHU

CONSTRUCTION AND EQUIPMENT FOR THE ESTABLISHMENT OF A FEED MILL TO BE LOCATED ~~[IN THE VICINITY OF CAMPBELL INDUSTRIAL PARK,]~~ ON OAHU. PROJECT TO INCLUDE SITE WORK AND ALL PROJECT RELATED COSTS. THE LEGISLATURE FINDS AND DECLARES THAT THE APPROPRIATION IS IN THE PUBLIC INTEREST, HEALTH, SAFETY, AND GENERAL WELFARE OF THE STATE.

CONSTRUCTION			400
EQUIPMENT			3,600
TOTAL FUNDING	AGR	C	4,000 C”

2. By amending section 47, item A.8.05., to read:

“8.05. ~~[THERMOPHILIC BIODIGESTER,]~~ WASTE STREAM RECYCLING FACILITY, OAHU

PLANS, DESIGN AND CONSTRUCTION FOR ~~[A THERMOPHILIC BIODIGESTER]~~ WASTE STREAM RECYCLING EQUIPMENT TO PROCESS BIOWASTE. THE LEGISLATURE FINDS AND DECLARES THAT THE APPROPRIATION IS IN THE PUBLIC INTEREST, HEALTH, SAFETY, AND GENERAL WELFARE OF THE STATE.

PLANS			1
DESIGN			1
CONSTRUCTION			948
TOTAL FUNDING	AGR	C	950 C”

SECTION 2. The appropriations made for the capital improvement projects amended by this Act shall not lapse at the end of the fiscal biennium for which the appropriations are made; provided that all moneys from the appropriations unencumbered as of June 30, 2019, shall lapse as of that date.

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect upon its approval.

(Approved June 29, 2018.)

A Bill for an Act Relating to Composting.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that according to the United States Environmental Protection Agency and United States Department of Agriculture, food waste is the second largest component that enters a waste stream and accounts for twenty-five per cent of all materials sent to landfills. Recycling food waste into compost has environmental benefits, such as improving soil health, increasing drought resistance, and reducing the need for supplemental water, fertilizers, and pesticides. Furthermore, applying compost and organic matter to soil sequesters carbon from the atmosphere, forming the largest land-based carbon sink, and mitigates climate change by effectively reducing greenhouse gas emissions. The legislature believes that food waste diversion will help move the State toward the Aloha+ Challenge commitment of seventy per cent waste stream reduction by 2025.

The purpose of this Act is to appropriate moneys to the department of agriculture to establish and implement a compost reimbursement pilot program to assist farmers and ranchers in the State with affordable compost material.

SECTION 2. (a) The department of agriculture shall establish and implement a three-year compost reimbursement pilot program to provide cost reimbursement to farming operations in the State to assist farmers and ranchers in meeting the costs of acquiring compost purchased from a certified processor, dealer, retailer, or wholesaler licensed to do business in the State.

(b) Applications for cost reimbursements shall be submitted on a form furnished by the department and shall be filed with accompanying documentation of the costs of purchasing compost pursuant to subsection (c); provided that:

- (1) The applicant shall indemnify and hold harmless the State and its officers, agents, and employees from all claims arising out of or resulting from the compost purchased; and
- (2) The department may request an applicant to provide necessary information for the purposes of verifying the size or sale weight, as applicable, and amount of compost purchased.

(c) Documentation of compost costs, requested by the department, shall be filed for compost purchased within the fiscal year immediately preceding the filing and be effective for compost costs incurred after June 30, 2018, and before July 1, 2021.

(d) Funds shall be dispersed upon approval on an annual basis by the department to the farmer or rancher for up to fifty per cent of the costs incurred for the purchase of the compost after June 30, 2018, and before July 1, 2021.

(e) The department shall aggregate the total reimbursement applications pursuant to this section and divide and distribute the available moneys on a first come, first served basis; provided that no single farmer or rancher shall receive a reimbursement total of more than \$50,000 per year.

(f) There is established within the department a compost reimbursement pilot program manager position, which shall be a full-time, temporary position exempt from chapters 76 and 89, Hawaii Revised Statutes. The compost reimbursement pilot program manager shall possess a requisite level of knowledge and expertise in the area of program management necessary to carry out the duties of the position. The compost reimbursement pilot program manager shall:

- (1) Facilitate the division and distribution of available costs for reimbursement; and
- (2) Manage the day-to-day coordination of the compost reimbursement pilot program.

The compost reimbursement pilot program manager shall receive a salary not to exceed \$50,000 per year.

(g) Any action taken by the department pursuant to this section shall be exempt from the rulemaking requirements of section 91-3, Hawaii Revised Statutes.

(h) As used in this section:

“Compost” means a product of a process in which organic materials are biologically decomposed under controlled conditions to produce a stable humus-like mulch or soil amendment. The composting process includes but is not limited to receipt of materials, primary processing, decomposition activities, and final processing for sale and marketing. Compostable materials shall include pre- and post-consumer food waste, waste from animal food processing operations, green waste, crop residues, and waste from vegetable food processing operations and similar materials.

“Department” means the department of agriculture.

“Farming operations” shall have the same meaning as in section 165-2, Hawaii Revised Statutes.

SECTION 3. The department of agriculture shall submit a report of its findings and recommendations, including any proposed legislation, regarding the results of the compost reimbursement pilot program and whether the program should be reinstated, with or without modifications, to the legislature no later than twenty days prior to the convening of the regular session of 2022.

SECTION 4. There is appropriated out of the general revenues of the State of Hawaii the sum of \$1,000,000 or so much thereof as may be necessary for fiscal year 2018-2019 for the department of agriculture to develop and implement a compost reimbursement pilot program pursuant to section 2 of this Act; provided that the department of agriculture may expend:

- (1) \$50,000 per year to establish one full-time, temporary program manager position for the compost reimbursement pilot program; and
- (2) \$20,000 per year for program and administrative costs.

The sum appropriated shall be expended by the department of agriculture for the purposes of this section; provided that this appropriation shall not lapse at the end of fiscal year 2018-2019; provided further that all moneys that are unencumbered as of June 30, 2020, shall lapse as of that date.

SECTION 5. This Act shall take effect on July 1, 2018; provided that section 2 of this Act shall be repealed on December 31, 2021.

(Approved June 29, 2018.)

ACT 90

S.B. NO. 2613

A Bill for an Act Relating to Intoxicating Liquor.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 281-31, Hawaii Revised Statutes, is amended by amending subsection (c) to read as follows:

“(c) Class 2. Restaurant license.

- (1) A license under this class shall authorize the licensee to sell liquor specified in this subsection for consumption on the premises; provided that a restaurant licensee, with commission approval, may provide off-premises catering of food and liquor; provided further that the catering activity shall be directly related to the licensee’s operation as a restaurant. A license under this class shall also authorize the licensee to sell beer, malt beverages, or cider for off-premises consumption; provided that the licensee has the appropriate kind of license pursuant to paragraph (3); ~~and~~ provided further that the beer, malt beverage, or cider is sold in a securely sealed or covered glass, ceramic, or metal container that is sold to or provided by the patron, and each sealed or covered glass, ceramic, or metal container does not exceed a maximum capacity of one-half gallon. A licensee under this class shall be issued a license according to the category of establishment the licensee owns or operates. The categories of establishment shall be as follows:
 - (A) A standard bar; or
 - (B) Premises in which live entertainment or recorded music is provided. Facilities for dancing by the patrons may be permitted as provided by commission rules.
- (2) If a licensee under class 2 desires to change the category of establishment the licensee owns or operates, the licensee shall apply for a new license applicable to the category of the licensee’s establishment.
- (3) Of this class, there shall be the following kinds:
 - (A) General (includes all liquor except alcohol);
 - (B) Beer and wine; and
 - (C) Beer.
- (4) A new class 2 license may be issued prior to an establishment commencing operation. An application for a new class 2 license shall include a certification by the applicant that the applicant intends to and shall derive no less than thirty per cent of the establishment’s gross revenue from the sale of foods.

Notwithstanding section 281-57, the commission may approve at one public hearing and without notice the change to a class 2 restaurant license of a licensee holding a class 5 dispenser license who meets the requirements of a class 2 license.”

SECTION 2. Section 281-41, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

“(a) No license issued under this chapter to an original applicant or to any transferee shall be transferable or be transferred within one year of the issuance or transfer, except for good cause shown to the satisfaction of the liquor commission. A transfer of license shall be for the same class, kind, and category of license. No license issued under this chapter shall be transferable or be transferred except upon written application to the commission by the proposed transferee, and after prior inspection of the premises, reference to, and report by an inspector, and a public hearing held by the commission not less than fourteen days after one publication of notice thereof, but without sending notice of the hearing by mail to persons being the owners or lessees of real estate situated within the vicinity of the premises and without the right to the owners or lessees to protest the transfer of a license. Exceptions are class 5 and 11 licensees who ~~must~~ shall comply with the requirements as set forth in sections 281-57 to 281-60. Notwithstanding any provision of this chapter to the contrary, a class 2

license shall be transferrable; provided that the transferee certifies that the transferee intends to and shall derive no less than thirty per cent of the establishment's gross revenue from the sale of foods."

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect upon its approval.

(Approved June 29, 2018.)

ACT 91

S.B. NO. 2612

A Bill for an Act Relating to Liquor Licenses.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 281-31, Hawaii Revised Statutes, is amended by amending subsection (j) to read as follows:

"(j) Class 10. Special license.

(1) A special license may be granted for the sale of liquor for a period not to exceed three days and pursuant to commission rule may be approved by the administrator for fundraising events by nonprofit organizations, political candidates, and political parties; provided that any registered educational or charitable nonprofit organization may sell liquors in their original packages for off-premises consumption[-]; provided further that any social club granted tax-exempt status pursuant to section 501(c)(7) of the Internal Revenue Code of 1986, as amended, may sell wine from the social club's inventory to the club's members for off-premises consumption. Of this class, there shall be the following kinds:

(+)(A) General (includes all liquor except alcohol);

(-)(B) Beer and wine; and

(-)(C) Beer.

Liquor sold under a class 10 license shall be consumed on the premises.

(2) Notwithstanding any other section of this chapter to the contrary, the commission shall waive any hearings, fees, notarization of documents, submission of floor plans and other governmental clearances, and other requirements for the issuance of a class 10 license. The class 10 license granted under this subsection for a fundraising event shall include the ability to auction off, at a live or silent auction, liquor in sealed or covered glass, ceramic, or metal containers or services that provide liquor. No criminal history record check under section 281-53.5 or 846-2.7 or any other section of this chapter shall be required. The commission may require proof of liquor liability insurance for the fundraising event and a current list of officers and directors if the applicant is a nonprofit organization."

SECTION 2. Until a liquor commission adopts rules to implement the amendments made to section 281-31(j), Hawaii Revised Statutes, by this Act, the liquor commission shall be governed by this Act.

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect upon its approval.

(Approved June 29, 2018.)

ACT 92

H.B. NO. 2414

A Bill for an Act Relating to Liquor Licenses.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 281-32, Hawaii Revised Statutes, is amended to read as follows:

“§281-32 Licenses, temporary. (a) A temporary license of any class and kind specified in section 281-31 may be granted under the following conditions:

- (1) The premises shall have been operated under a license of the same class, kind, and category issued by the liquor commission at least one year immediately prior to the date of filing of the application for a temporary license, except as otherwise approved by the commission;
- (2) The license of the same class, kind, and category then in effect for the premises shall be surrendered in such manner and at such time as the commission shall direct;
- (3) The applicant for a temporary license shall have filed with the commission an application for a license of the same class, kind, and category currently or previously in effect for the premises;
- (4) The application for a temporary license shall be accompanied by a license fee in such amount as may be prescribed by the commission. If the application is denied or withdrawn, the fee which accompanied the application shall become a realization of the county;
- (5) A temporary license shall be for a period of not in excess of one hundred ~~and~~ twenty days. The license may be renewed at the discretion of the commission for not more than one additional one hundred twenty-day period upon payment of such additional fee as may be prescribed by the commission and upon compliance with all conditions required in this section and section 281-31. When a temporary license has expired and no permanent license has been issued, the sale and service of liquor shall cease until the permanent license is issued; provided that, when applicable, the license shall be properly renewed;
- (6) A temporary license shall authorize the licensee to purchase liquor only by payment in currency, check, or certified check for the liquor before or at the time of delivery of the liquor to the licensee, except as otherwise provided by commission rule; and
- (7) Sections 281-52 and 281-54 and sections 281-56 to 281-61 shall not apply to any application for a temporary license.

(b) Notwithstanding any other law to the contrary, the commission shall reduce submission requirements, including the waiving of hearings, fees, notarization of documents, submission of floor plans, and other requirements, to provide for the issuance of temporary licenses for the sale of liquor for a period not to exceed one day for fundraising events by nonprofit organizations.

The temporary license granted under this subsection to a nonprofit organization for a fundraising event shall enable the nonprofit organization to auction off, at a live or silent auction, liquor in sealed or covered glass, ceramic, or metal containers or services that provide liquor. No criminal history record checks under section 281-53.5 shall be required; provided that the commission may require a background check on the executive director of the nonprofit organization.

For purposes of this subsection, "nonprofit organization" means those charitable organizations recognized under state or federal law and exempt from federal taxes under section 501(c)(3) of the Internal Revenue Code.

(c) The commission may adopt rules to implement this section."

SECTION 2. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 3. This Act shall take effect upon its approval.

(Approved June 29, 2018.)

ACT 93

H.B. NO. 2410

A Bill for an Act Relating to Intoxicating Liquor.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that state law does not fully encompass the needs of the craft brewing industry. Similar to wineries, craft breweries allow guests to visit the production location and satellite tasting rooms for tours and educational opportunities. These locations provide sample tastings and information on the beverages being served while also educating visitors on the local nature of the company.

Although state laws do not restrict minors from being present in the tasting rooms for brewpub and small craft producer pub licensees, some counties prohibit minors from being present unless the minor is ordering or consuming food from a licensed kitchen on the premises.

Considering that the majority of brewing jobs in the State are filled with applicants from the continental United States and abroad, the legislature finds that allowing minors on craft brewery premises, particularly in tasting rooms, provides an opportunity for potential applicants to learn and gain interest in Hawaii's prevalent service industry.

The purpose of this Act is to permit brewpub and small craft producer pub licensees to allow minors on the licensee's premises under certain circumstances.

SECTION 2. Section 281-31, Hawaii Revised Statutes, is amended as follows:

1. By amending subsection (n) to read:
 - “(n) Class 14. Brewpub license. A brewpub licensee:
 - (1) May sell malt beverages manufactured on the licensee's premises for consumption on the premises;
 - (2) May sell malt beverages manufactured by the licensee in brewery-sealed packages to class 3 wholesale dealer licensees pursuant to conditions imposed by the county by ordinance or rule;
 - (3) May sell intoxicating liquor purchased from a class 3 wholesale dealer licensee to consumers for consumption on the licensee's premises. The categories of establishments shall be as follows:

- (A) A standard bar; or
- (B) Premises in which live entertainment or recorded music is provided. Facilities for dancing by the patrons may be permitted as provided by commission rules;
- (4) May, subject to federal labeling and bottling requirements, sell malt beverages manufactured on the licensee's premises to consumers in brewery-sealed kegs and sell malt beverages manufactured on the licensee's premises or purchased from a class 1 manufacturer licensee, a class 3 wholesale dealer licensee, a class 14 brewpub licensee, or a class 18 small craft producer pub licensee to consumers in growlers for off-premises consumption; provided that for purposes of this paragraph, "growler" means a glass, ceramic, or metal container, not to exceed one half-gallon, which shall be securely sealed;
- (5) May, subject to federal labeling and bottling requirements, sell malt beverages manufactured on the licensee's premises in recyclable containers provided by the licensee or by the consumer which do not exceed one gallon per container and are securely sealed on the licensee's premises to consumers for off-premises consumption;
- (6) Shall comply with all regulations pertaining to class 4 retail dealer licensees when engaging in the retail sale of malt beverages;
- (7) May, subject to federal labeling and bottling requirements, sell malt beverages manufactured on the licensee's premises in brewery-sealed containers directly to class 2 restaurant licensees, class 3 wholesale dealer licensees, class 4 retail dealer licensees, class 5 dispenser licensees, class 6 club licensees, class 8 transient vessel licensees, class 9 tour or cruise vessel licensees, class 10 special licensees, class 11 cabaret licensees, class 12 hotel licensees, class 13 caterer licensees, class 14 brewpub licensees, class 15 condominium hotel licensees, class 18 small craft producer pub licensees, and consumers pursuant to conditions imposed by county regulations governing class 1 manufacturer licensees and class 3 wholesale dealer licensees; ~~and~~
- (8) May conduct the activities under paragraphs (1) to (7) at one location other than the licensee's premises; provided that:
 - (A) The manufacturing takes place in Hawaii; and
 - (B) The other location is properly licensed under the same ownership~~[-]; and~~
- (9) May allow minors, who are accompanied by a parent or legal guardian of legal drinking age, on the licensee's premises."

2. By amending subsection (r) to read:

"(r) Class 18. Small craft producer pub license. A small craft producer pub licensee:

- (1) Shall manufacture not more than:
 - (A) Sixty thousand barrels of malt beverages;
 - (B) Twenty thousand barrels of wine; or
 - (C) Seven thousand five hundred barrels of alcohol on the licensee's premises during the license year;

provided that for purposes of this paragraph, "barrel" means a container not exceeding thirty-one gallons or wine gallons of liquor;
- (2) May sell malt beverages, wine, or alcohol manufactured on the licensee's premises for consumption on the premises;
- (3) May sell malt beverages, wine, or alcohol manufactured by the licensee in producer-sealed packages to class 3 wholesale dealer licensees pursuant to conditions imposed by the county by ordinance or rule;

- (4) May sell intoxicating liquor purchased from a class 3 wholesale dealer licensee to consumers for consumption on the licensee's premises. The categories of establishments shall be as follows:
- (A) A standard bar; or
 - (B) Premises in which live entertainment or recorded music is provided. Facilities for dancing by the patrons may be permitted as provided by commission rules;
- (5) May, subject to federal labeling and bottling requirements, sell malt beverages manufactured on the licensee's premises to consumers in producer-sealed kegs and sell malt beverages manufactured on the licensee's premises or purchased from a class 1 manufacturer licensee, a class 3 wholesale dealer licensee, a class 14 brewpub licensee, or a class 18 small craft producer pub licensee to consumers in growlers for off-premises consumption; provided that for purposes of this paragraph, "growler" means a glass, ceramic, or metal container, not to exceed one half-gallon, which shall be securely sealed;
- (6) May, subject to federal labeling and bottling requirements, sell malt beverages, wine, or alcohol manufactured on the licensee's premises in recyclable containers provided by the licensee or by the consumer which do not exceed:
- (A) One gallon per container for malt beverages and wine; and
 - (B) One liter for alcohol; and
- are securely sealed on the licensee's premises to consumers for off-premises consumption;
- (7) Shall comply with all regulations pertaining to class 4 retail dealer licensees when engaging in the retail sale of malt beverages, wine, and alcohol;
- (8) May, subject to federal labeling and bottling requirements, sell malt beverages, wine, and alcohol manufactured on the licensee's premises in producer-sealed containers directly to class 2 restaurant licensees, class 3 wholesale dealer licensees, class 4 retail dealer licensees, class 5 dispenser licensees, class 6 club licensees, class 8 transient vessel licensees, class 9 tour or cruise vessel licensees, class 10 special licensees, class 11 cabaret licensees, class 12 hotel licensees, class 13 caterer licensees, class 14 brewpub licensees, class 15 condominium hotel licensees, class 18 small craft producer pub licensees, and consumers pursuant to conditions imposed by county regulations governing class 1 manufacturer licensees and class 3 wholesale dealer licensees; ~~and~~
- (9) May conduct the activities under paragraphs (1) to (8) at one location other than the licensee's premises; provided that:
- (A) The manufacturing takes place in Hawaii; and
 - (B) The other location is properly licensed under the same ownership~~[-]; and~~
- (10) May allow minors, who are accompanied by a parent or legal guardian of legal drinking age, on the licensee's premises."

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect on July 1, 2018.

(Approved June 29, 2018.)

A Bill for an Act Relating to Manner of Service.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that many residential subdivisions are experiencing problems with real property owned by nonresidents of the State, including unpaid homeowner fees, overgrown trees, invasive species, and squatters. In many cases, the nonresident owners cannot be located and the county cannot act on behalf of neighboring property owners without providing notice to the owner of the offending property.

The purpose of this Act is to authorize service on nonresident property owners through a summons mailed to the mailing address on record with the real property tax office in the county in which the offending property is located.

SECTION 2. Chapter 634, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

“§634- Service in cases involving real property. (a) Notwithstanding any other provision of law, in an action the principal subject matter of which is real property owned by a defendant who is not a resident of the State, service of summons may be made upon the defendant by sending the summons and complaint by certified, registered, or express mail, postage prepaid, with return receipt requested to the address of the defendant on file with the real property assessment office of the county in which the real property is located. The plaintiff or the plaintiff’s attorney shall file an affidavit showing that the summons and complaint were sent by certified, registered, or express mail, and the return receipt signed by the defendant shall be filed with the affidavit. The service shall be complete upon the delivery of the summons and complaint to the defendant in the event that the defendant does not sign and return the receipt, or shall be deemed complete upon the date the return receipt was signed by the defendant in the event that the defendant signs and returns the receipt within thirty days of delivery, whichever date is later.

(b) As used in this section, “real property owned by a defendant who is not a resident of the State” means real property for which the address on file with the real property assessment office of the county in which the property is located is an address that is not in this State.”

SECTION 3. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

SECTION 4. New statutory material is underscored.¹

SECTION 5. This Act shall take effect on July 1, 2018.

(Approved June 29, 2018.)

Note

1. Edited pursuant to HRS §23G-16.5.

ACT 95

H.B. NO. 1852

A Bill for an Act Relating to Pornography.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 712-1210, Hawaii Revised Statutes, is amended by amending the definition of “pornographic for minors” to read as follows:

““Pornographic for minors”. Any material or performance is “pornographic for minors” if:

- (1) It is primarily devoted to explicit and detailed narrative accounts of sexual excitement, sexual conduct, or sadomasochistic abuse; and:
 - (a) It is presented in such a manner that the average person applying contemporary community standards, would find that, taken as a whole, it appeals to [a ~~minor's~~] the prurient interest; and
 - (b) Taken as a whole, it lacks serious literary, artistic, political, or scientific value; or
- (2) It contains any photograph, drawing, or similar visual representation of any person of the age of puberty or older revealing such person with less than a fully opaque covering of his or her genitals and pubic area, or depicting such person in a state of sexual excitement or engaged in acts of sexual conduct or sadomasochistic abuse; and:
 - (a) It is presented in such a manner that the average person, applying contemporary community standards, would find that, taken as a whole, it appeals to [a ~~minor's~~] the prurient interest; and
 - (b) Taken as a whole, it lacks serious literary, artistic, political, or scientific value.”

SECTION 2. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect on July 1, 2018.

(Approved June 29, 2018.)

ACT 96

H.B. NO. 1850

A Bill for an Act Relating to Pornography.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 712-1215, Hawaii Revised Statutes, is amended by amending subsection (2) to read as follows:

“(2) Subsection (1) does not apply to a parent[;] or legal guardian[; ~~or other person in loco parentis to~~] of the minor or to a sibling of the minor, or to a person who commits any act specified therein in the person’s capacity and within the scope of the person’s employment as a member of the staff of any public library.”

ACT 97

SECTION 2. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect on July 1, 2018.

(Approved June 29, 2018.)

ACT 97

S.B. NO. 2742

A Bill for an Act Relating to Criminal History Record Information.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that the Hawaii criminal justice data center is responsible for the collection, storage, and dissemination of criminal history record information in such a manner as to balance the right of the public and press to be informed, the right of privacy of individual citizens, and the necessity for law enforcement agencies to prevent crimes and detect criminals in support of the right of the public to be free from crime and the fear of crime.

As it relates to these responsibilities, the purpose of this Act is to resolve inconsistencies relating to cases in which the defendant was acquitted or the charges were dismissed due to a physical or mental disease, disorder, or defect, pursuant to Hawaii's penal responsibility and fitness to proceed law, and cases in which the defendant was involuntarily hospitalized in lieu of prosecution or of sentence.

SECTION 2. Section 831-3.2, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) The attorney general, or the attorney general's duly authorized representative within the department of the attorney general, upon written application from a person arrested for, or charged with but not convicted of a crime, or found eligible for redress under chapter 661B, shall issue an expungement order annulling, canceling, and rescinding the record of arrest; provided that an expungement order shall not be issued:

- (1) In the case of an arrest for a felony or misdemeanor where conviction has not been obtained because of bail forfeiture;
- (2) For a period of five years after arrest or citation in the case of a petty misdemeanor or violation where conviction has not been obtained because of a bail forfeiture;
- (3) In the case of an arrest of any person for any offense where conviction has not been obtained because the person has rendered prosecution impossible by absencing oneself from the jurisdiction;
- (4) In the case of a person [~~acquitted by reason of a mental or physical defect under chapter 704;~~] who was involuntarily hospitalized pursuant to section 706-607, or who was acquitted or had charges dismissed pursuant to chapter 704 due to a physical or mental disease, disorder, or defect; and
- (5) For a period of one year upon discharge of the defendant and dismissal of the charge against the defendant in the case of a deferred acceptance of guilty plea or nolo contendere plea, in accordance with chapter 853.

Any person entitled to an expungement order under this section may by written application also request return of all fingerprints or photographs taken in connection with the person's arrest. The attorney general or the attorney general's duly authorized representative within the department of the attorney general, within one hundred twenty days after receipt of the written application, shall, when requested, deliver, or cause to be delivered, all fingerprints or photographs of the person, unless the person has a record of conviction or is a fugitive from justice, in which case the photographs or fingerprints may be retained by the agencies holding the records."

SECTION 3. Section 846-9, Hawaii Revised Statutes, is amended to read as follows:

"§846-9 Limitations on dissemination. Dissemination of nonconviction data shall be limited, whether directly or through any intermediary, only to:

- (1) Criminal justice agencies, for purposes of the administration of criminal justice and criminal justice agency employment;
- (2) Individuals and agencies specified in section 846-10;
- (3) Individuals and agencies pursuant to a specific agreement with a criminal justice agency to provide services required for the administration of criminal justice pursuant to that agreement; provided that such agreement shall specifically authorize access to data, limit the use of data to purposes for which given, and insure the security and confidentiality of the data consistent with the provisions of this chapter;
- (4) Individuals and agencies for the express purpose of research, evaluative, or statistical activities pursuant to an agreement with a criminal justice agency; provided that such agreement shall specifically authorize access to data, limit the use of data to research, evaluative, or statistical purposes, and insure the confidentiality and security of the data consistent with the purposes of this chapter;
- (5) Individuals and agencies for any purpose authorized by statute, ordinance, executive order, or court rule, decision, or order, as construed by appropriate state or local officials or agencies; and
- (6) Agencies of state or federal government which are authorized by statute or executive order to conduct investigations determining employment suitability or eligibility for security clearances allowing access to classified information.

These dissemination limitations do not apply to conviction data. These dissemination limitations also do not apply to data relating to cases in which the defendant is acquitted[;] or charges are dismissed[;] by reason of physical or mental disease, disorder, or defect under chapter 704[-], or in which the defendant is involuntarily hospitalized under section 706-607.

Criminal history record information disseminated to noncriminal justice agencies shall be used only for the purposes for which it was given.

No agency or individual shall confirm the existence or nonexistence of criminal history record information to any person or agency that would not be eligible to receive the information itself."

SECTION 4. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 5. This Act shall take effect on July 1, 2018.

(Approved June 29, 2018.)

A Bill for an Act Relating to Sexual Violence.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 657-1.8, Hawaii Revised Statutes, is amended by amending subsections (a) and (b) to read as follows:

“(a) Notwithstanding any law to the contrary, except as provided under subsection (b), no action for recovery of damages based on physical, psychological, or other injury or condition suffered by a minor arising from the sexual abuse of the minor by any person shall be commenced against the person who committed the act of sexual abuse more than:

- (1) Eight years after the eighteenth birthday of the minor or the person who committed the act of sexual abuse attains the age of majority, whichever occurs later; or
- (2) Three years after the date the minor discovers or reasonably should have discovered that psychological injury or illness occurring after the [age of] minor’s eighteenth birthday was caused by the sexual abuse,

whichever comes later.

A civil cause of action for the sexual abuse of a minor shall be based upon sexual acts that constituted or would have constituted a criminal offense under part V or VI of chapter 707.

(b) For a period of [four] eight years after April 24, 2012, a victim of child sexual abuse that occurred in this State may file a claim in a circuit court of this State against the person who committed the act of sexual abuse if the victim is barred from filing a claim against the victim’s abuser due to the expiration of the applicable civil statute of limitations that was in effect prior to April 24, 2012.

A claim may also be brought under this subsection against a legal entity if:

- (1) The person who committed the act of sexual abuse against the victim was employed by an institution, agency, firm, business, corporation, or other public or private legal entity that owed a duty of care to the victim; or
- (2) The person who committed the act of sexual abuse and the victim were engaged in an activity over which the legal entity had a degree of responsibility or control.

Damages against the legal entity shall be awarded under this subsection only if there is a finding of gross negligence on the part of the legal entity.”

SECTION 2. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 3. This Act shall take effect on July 1, 2018, and shall apply retroactively to April 24, 2012.

(Approved June 29, 2018.)

A Bill for an Act Relating to Material Witness Orders.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 835-2, Hawaii Revised Statutes, is amended to read as follows:

“§835-2 Material witness order; when authorized; by what courts issuable; duration thereof. (a) A material witness order may be issued upon the ground that there is a reasonable cause to believe that a person whom the people or the defendant desire to call as a witness in a pending criminal action:

- (1) Possesses information material to the determination of [the] action; and
- (2) Will not be amenable or responsive to a subpoena at a time when the person’s attendance will be sought.

(b) A material witness order may be issued only when:

- (1) An indictment [or], information, or felony complaint has been filed in a circuit [court] or family court and is currently pending therein;
- (2) A grand jury proceeding has been commenced and is currently pending; or
- (3) A felony complaint has been filed with a district court and is currently pending therein.

(c) The following courts may issue material witness orders under the indicated circumstances:

- (1) When an indictment [~~has been filed~~], an information, or a felony complaint has been filed, or a grand jury proceeding has been commenced, or a defendant has been held by a district [court] or family court for the action of a grand jury, a material witness order may be issued only by the circuit [court] or family court in which [the] indictment is pending or by [which] [the] grand jury that has been or will be impaneled; and

- (2) When a felony complaint is currently pending in a district court, a material witness order may be issued either by ~~said~~ that court or by the circuit [~~court which~~] or family court that would have jurisdiction of the case upon indictment by the grand jury[-] or upon a finding of probable cause by a district court.

(d) Unless vacated pursuant to section 835-6, a material witness order remains in effect during the following periods of time under the indicated circumstances:

- (1) An order issued by a circuit [court] or family court under the circumstances prescribed in [subsection (c)(1)] remains in effect during the pendency of the criminal action in [the] circuit court[;] or family court; and

- (2) An order issued by a district [court] or family court under circumstances prescribed in [subsection (c)(2)], remains in effect[;]

(A) Until the disposition of the felony complaint pending in [the] court[;]

(B) If the defendant is held for the action of the grand jury, during the pendency of the grand jury proceeding[;]

(C) If an indictment results, for a period of ten days following the filing of [the] indictment[;] and

(D) If within [the] ten-day period[,], the order is endorsed by the circuit [court] or family court in which the indictment [is] was pending, during the pendency of the action in [the] circuit [court-] or family court. Upon [the] endorsement, the order is deemed to be that of the circuit [court-] or family court.”

SECTION 2. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

ACT 100

SECTION 3. If any provision of this Act, or the application thereof to any person or circumstance, is held invalid, the invalidity does not affect other provisions or applications of the Act that can be given effect without the invalid provision or application, and to this end the provisions of this Act are severable.

SECTION 4. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 5. This Act shall take effect on July 1, 2018.

(Approved June 29, 2018.)

ACT 100

S.B. NO. 2180

A Bill for an Act Relating to Lesser Included Offenses.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 701-109, Hawaii Revised Statutes, is amended by amending subsection (4) to read as follows:

“(4) A defendant may be convicted of an offense included in an offense charged in the felony complaint, indictment, or [the] information. An offense is so included when:

- (a) It is established by proof of the same or less than all the facts required to establish the commission of the offense charged;
- (b) It consists of an attempt to commit the offense charged or to commit an offense otherwise included therein; or
- (c) It differs from the offense charged only in the respect that a less serious injury or risk of injury to the same person, property, or public interest or a different state of mind indicating lesser degree of culpability suffices to establish its commission.”

SECTION 2. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect on July 1, 2018.

(Approved June 29, 2018.)

ACT 101

S.B. NO. 2745

A Bill for an Act Relating to Confidential Personal Information.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 708-800, Hawaii Revised Statutes, is amended by amending the definition of “confidential personal information” to read as follows:

““Confidential personal information” means information in which an individual has a significant privacy interest, including but not limited to [a] an individual’s entire driver’s license number[-,a] or social security number[-,aa]; the entire identifying number of [a] an individual’s depository, investment, or credit account[-, a bank account number, a password or other information that is used for accessing information, or any other name, number, or code that is used, alone or in conjunction with other information, to confirm the identity of a person.]; an individual’s entire credit card number; or a username and password that, when used in conjunction, provide access to an individual’s credit card account, medical records, or depository, investment, or credit account.”

SECTION 2. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect upon its approval.

(Approved June 29, 2018.)

ACT 102

H.B. NO. 1667

A Bill for an Act Relating to Probation.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 706-622.5, Hawaii Revised Statutes, is amended by amending subsection (1) to read as follows:

“(1) Notwithstanding section 706-620(3), a person convicted for the first or second time for any offense under section 329-43.5, except offenses under subsections (a) and (b) of that section which constitute violations, involving the possession or use of drug paraphernalia or any felony offense under part IV of chapter 712 involving the possession or use of any dangerous drug, detrimental drug, harmful drug, intoxicating compound, marijuana, or marijuana concentrate, as defined in section 712-1240, but not including any offense under part IV of chapter 712 involving the distribution or manufacture of any such drugs or substances and not including any methamphetamine offenses under sections 712-1240.7, 712-1240.8 as that section was in effect prior to July 1, 2016, 712-1241, and 712-1242, is eligible to be sentenced to probation under subsection (2) if the person meets the following criteria:

- (a) The court has determined that the person is nonviolent after reviewing the person’s criminal history, the factual circumstances of the offense for which the person is being sentenced, and any other relevant information;
- (b) The person has been assessed by a certified substance abuse counselor to be in need of substance abuse treatment due to dependency or abuse under the applicable Diagnostic and Statistical Manual and Addiction Severity Index; and
- (c) Except for those persons directed to substance abuse treatment under the supervision of the drug court, the person presents a proposal to receive substance abuse treatment in accordance with the

treatment plan prepared by a certified substance abuse counselor through a substance abuse treatment program that includes an identified source of payment for the treatment program.”

SECTION 2. New statutory material is underscored.

SECTION 3. This Act shall take effect on July 1, 2018.

(Approved June 29, 2018.)

ACT 103

H.B. NO. 2299

A Bill for an Act Relating to Indemnification of County Agencies.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that the University of Hawaii campuses frequently use county parks and other facilities for university purposes and functions, such as physical education classes, athletic events, and graduation events. The legislature also finds that the current procedure for the University of Hawaii to obtain approval from the governor to indemnify a county for using a county facility for university purposes is unnecessarily burdensome. Functions at county parks and other facilities for university purposes occur annually and repeatedly throughout the academic semester.

The purpose of this Act is to facilitate the process by which the University of Hawaii obtains approval for the State to indemnify, defend, and hold harmless a county agency, its officers, agents, and employees for functions on county property for university purposes.

SECTION 2. Section 46-71.5, Hawaii Revised Statutes, is amended to read as follows:

“§46-71.5 **Indemnification of county agencies.** (a) To receive county aid, assistance, support, benefits, services, and interests in or rights to use county property, a state agency may agree in writing to an indemnity provision by which the State agrees to indemnify, defend, and hold harmless a county agency, its officers, agents, and employees when:

- (1) The governor approves the State’s proposed indemnification; and
- (2) The comptroller, pursuant to section 41D-8.5, has obtained an insurance policy or policies in an amount sufficient to cover the liability of the State that reasonably may be anticipated to arise under the indemnity provision, or has determined that it is not in the best interest of the State to obtain insurance.

(b) Notwithstanding subsection (a), the governor may delegate to the superintendent of education or the deputy superintendent if so designated by the superintendent of education the authority to agree to indemnify, defend, and hold harmless a county agency, its officers, agents, and employees when:

- (1) The use of the county property will be for a public school purpose or a public school function;
- (2) The governor approves, in writing, the indemnity provision to be used by the superintendent of education or the deputy superintendent if so designated by the superintendent of education which provision, upon approval, may serve as approval under this paragraph

for all public school purposes or functions on county properties for the remainder of that same school year; and

- (3) The comptroller, pursuant to section 41D-8.5, has obtained an insurance policy or policies in an amount sufficient to cover the liability of the State that reasonably may be anticipated to arise under the indemnity provision, or has determined that it is not in the best interest of the State to obtain insurance.

(c) Notwithstanding subsection (a), the board of regents of the University of Hawaii, or its designee, may agree to indemnify, defend, and hold harmless a county agency, its officers, agents, and employees when:

- (1) The use of the county property will be for a university purpose or a university function;
(2) The president of the University of Hawaii, or the president's designee, following a favorable review by the university general counsel or the counsel's designee, approves the indemnity provision in writing; and
(3) The chief financial officer of the University of Hawaii, pursuant to section 304A-108, has obtained an insurance policy or policies in an amount sufficient to cover the liability of the university that reasonably may be anticipated to arise under the indemnity provision, or has determined that it is not in the best interest of the university to obtain insurance.

(d) Nothing in this section shall be construed to expand the scope of liability of the State or University of Hawaii beyond that set forth in chapters 661 and 662.

[(e)] (e) Nothing in this section shall be construed to waive the immunity of the State or University of Hawaii from suit in federal courts guaranteed by the Eleventh Amendment to the United States Constitution. An indemnity provision not in strict compliance with this section shall not give rise to a claim against the State or University of Hawaii under chapter 661 or otherwise waive the State's or university's sovereign immunity."

SECTION 3. Section 304A-108, Hawaii Revised Statutes, is amended by amending subsection (d) to read as follows:

"(d) The university may purchase insurance to cover any claims anticipated under this section~~[-]~~ or section 46-71.5."

SECTION 4. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 5. This Act shall take effect on July 1, 2018.

(Approved June 29, 2018.)

ACT 104

S.B. NO. 2571

A Bill for an Act Relating to Water Pollution.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that two chemicals contained in many sunscreens, oxybenzone and octinoxate, have significant harmful impacts on Hawaii's marine environment and residing ecosystems, including coral reefs that protect Hawaii's shoreline. Oxybenzone and octinoxate cause mortality in

developing coral; increase coral bleaching that indicates extreme stress, even at temperatures below 87.8 degrees Fahrenheit; and cause genetic damage to coral and other marine organisms. These chemicals have also been shown to degrade corals' resiliency and ability to adjust to climate change factors and inhibit recruitment of new corals. Furthermore, oxybenzone and octinoxate appear to increase the probability of endocrine disruption. Scientific studies show that both chemicals can induce feminization in adult male fish and increase reproductive diseases in marine invertebrate species (e.g., sea urchins), vertebrate species (e.g., fish such as wrasses, eels, and parrotfish), and mammals (in species similar to the Hawaiian monk seal). The chemicals also induce deformities in the embryonic development of fish, sea urchins, coral, and shrimp and induce neurological behavioral changes in fish that threaten the continuity of fish populations. In addition, species that are listed on the federal Endangered Species Act and inhabit Hawaii's waters, including sea turtle species, marine mammals, and migratory birds, may be exposed to oxybenzone and octinoxate contamination.

The legislature further finds that environmental contamination of oxybenzone and octinoxate persists in Hawaii's coastal waters, as the contamination is constantly refreshed and renewed every day by swimmers and beachgoers. Swimming and other water activities cause these chemicals to pollute Hawaii's water unless they are actively mitigated. Sewage contamination of coastal waters is another source of oxybenzone and octinoxate environmental contamination, as these chemicals are not removed by the State's wastewater treatment system. Oxybenzone and octinoxate are also discharged to the ground and surface waters from cesspools, leaking septic systems, and municipal wastewater collection and treatment systems. The legislature additionally finds that elevated levels of oxybenzone and octinoxate have been detected at popular swimming beaches and critical coral reef areas throughout the State, including Waimea bay, Hanauma bay, and Waikiki beach on Oahu, and Honolua bay and 'Ahihi-Kīna'u natural area reserve on Maui.

Accordingly, the purpose of this Act is to preserve marine ecosystems, including coral reefs, by, beginning January 1, 2021, prohibiting the sale, offer for sale, and distribution in Hawaii of sunscreen containing oxybenzone and octinoxate without a prescription from a licensed healthcare provider.

SECTION 2. Chapter 342D, Hawaii Revised Statutes, is amended by adding a new section to part I to be appropriately designated and to read as follows:

“§342D- Sale and distribution of sunscreen containing oxybenzone or octinoxate, or both; prohibition. (a) Beginning January 1, 2021, it shall be unlawful to sell, offer for sale, or distribute for sale in the State any sunscreen that contains oxybenzone or octinoxate, or both, without a prescription issued by a licensed healthcare provider.

(b) No county shall enact any ordinance or regulatory restriction to prohibit the sale, use, labeling, packaging, handling, distribution, or advertisement of sunscreens containing oxybenzone or octinoxate, or both, prior to January 1, 2021.

(c) For purposes of this section:

“Licensed healthcare provider” means a physician or osteopathic physician licensed pursuant to chapter 453, or an advanced practice registered nurse licensed pursuant to chapter 457.

“Octinoxate” refers to the chemical (RS)-2-Ethylhexyl (2E)-3-(4-methoxyphenyl)prop-2-enoate under the International Union of Pure and Applied Chemistry chemical nomenclature registry; that has a chemical abstract

service registry number 5466-77-3; the synonyms of which include but are not limited to ethylhexyl methoxycinnamate, octyl methoxycinnamate, Eusolex 2292, Neo Heliopan AV, NSC 26466, Parsol MOX, Parsol MCX, and Uvinul MC80; and is intended to be used as protection against ultraviolet light radiation with a spectrum wavelength from 370 nanometers to 220 nanometers in a sunscreen.

“Oxybenzone” refers to the chemical (2-Hydroxy-4-methoxyphenyl)-phenylmethanone under the International Union of Pure and Applied Chemistry chemical nomenclature registry; that has a chemical abstract service registry number 131-57-7; the synonyms of which include but are not limited to benzophenone-3, Escalol 567, Eusolex 4360, KAHSCREEN BZ-3, Uvasorb MET/C, Syntase 62, UV 9, Uvinul 9, Uvinul M-40, Uvistat 24, USAF Cy-9, Uniphenone-3U, 4-methoxy-2-hydroxybenzophenone and Milestab 9; and is intended to be used as protection against ultraviolet light radiation with a spectrum wavelength from 370 nanometers to 220 nanometers in a sunscreen.

“Prescription” means an order for medication, that is dispensed to or for an ultimate user. “Prescription” shall not include an order for medication that is dispensed for immediate administration to the ultimate user, such as a chart order to dispense a drug to a bed patient for immediate administration in a hospital. “Prescription” includes an order for a sunscreen.

“Sunscreen” means a product marketed or intended for topical use to prevent sunburn. Sunscreen does not include products marketed or intended for use as a cosmetic, as defined in section 328-1, for the face.”

SECTION 3. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

SECTION 4. New statutory material is underscored.¹

SECTION 5. This Act shall take effect on July 1, 2018.

(Approved July 3, 2018.)

Note

1. Edited pursuant to HRS §23G-16.5.

ACT 105

S.B. NO. 2790

A Bill for an Act Relating to the Rights of Children in Foster Care.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Chapter 587A, Hawaii Revised Statutes, is amended by adding a new section to part I to be appropriately designated and to read as follows:

“**§587A- Rights of children in foster care.** (a) The department or an authorized agency shall ensure, whenever possible, that a child in foster care will:

- (1) Live in a home, free from physical, psychological, sexual, and other abuse;
- (2) Receive food, shelter, and clothing;
- (3) Receive medical care, dental services, corrective vision care, and mental health services;

- (4) Be enrolled in a health insurance plan and, within forty-five days of out-of-home placement, be provided with a health assessment and recommended treatment;
- (5) Have regular, supervised or unsupervised, in-person, telephone, or other forms of contact with the child's parents and siblings while the child is in foster care, unless the contact is either prohibited by court order or is deemed to be unsafe by the child's child welfare services worker, therapist, guardian ad litem, or court appointed special advocate. Withholding visitation shall not be used as punishment. If the department or authorized agency denies supervised or unsupervised visits with the child's parents or siblings:
 - (A) If all parties, including the child, agree to the denial of the visits, the department or authorized agency shall submit a written report to the court within five working days to document the reasons why the visits are being denied; or
 - (B) If any party, including the child, disagrees with the denial of the visits, the department or authorized agency shall file a motion for immediate review within five working days that shall include the specific reasons why visits are being denied;
- (6) Receive notice of court hearings, and if the child wishes to attend the hearings, the department or authorized agency shall ensure that the child is transported to the court hearings;
- (7) Have in-person contact with the child's assigned child welfare services worker;
- (8) Have the ability to exercise the child's own religious beliefs, including the refusal to attend any religious activities and services;
- (9) Have a personal bank account if requested and assistance in managing the child's personal income consistent with the child's age and development, unless safety or other concerns require otherwise;
- (10) Be able to participate in extracurricular, enrichment, cultural, and social activities; provided that if a child caring institution or resource caregiver authorizes the participation, the authorization shall be in accordance with the reasonable and prudent parent standard, as defined in title 42 United States Code section 675(10)(A);
- (11) Beginning at age twelve, be provided with age-appropriate life skills training and a transition plan for appropriately moving out of the foster care system, which shall include reunification or other permanency, and written information concerning independent living programs, foster youth organizations, and transitional planning services that are available to all children in foster care who are twelve years of age or older and their resource families;
- (12) If the child is fourteen years of age or older, have the right to be involved in developing a case plan and planning for the child's future;
- (13) If the child is fourteen years of age or older, receive the child's credit report, free of charge, annually during the child's time in foster care and receive assistance with interpreting the report and resolving inaccuracies, including, when feasible, assistance from the child's guardian ad litem; and
- (14) If the child is seventeen years of age, receive prior to aging out of care certain personal records, such as an official or certified copy of the child's United States birth certificate, a Social Security card issued by the Commissioner of Social Security, health insurance information, a copy of the child's medical records or information to access the child's medical records free of charge, immigration docu-

ments, and a driver's license or civil identification card issued by the State; provided that the department or authorized agency shall obtain the personal records for the child.

(b) In addition to the rights established in subsection (a), a child in foster care shall have the following rights:

- (1) To be treated fairly and equally and receive care and services that are culturally responsive and free from discrimination based on race, ethnicity, color, national origin, ancestry, immigration status, gender, gender identity, gender expression, sexual orientation, religion, physical and mental disability, pregnancy or parenting status, or the fact that the child is in foster care;
- (2) To meet with and speak to the presiding judge in the child's case;
- (3) To have regular in-person contact with the child's court appointed guardian ad litem, court appointed special advocate, and probation officer;
- (4) To ask for an attorney, if the child's opinions and requests differ from those being advocated by the guardian ad litem pursuant to section 587A-16(c)(6);
- (5) To attend school and to remain in the child's school of origin unless determined not to be in the child's best interest, and to be provided cost-effective transportation to be maintained in the child's school of origin; provided that if the child changes school during a school year, the child should be enrolled immediately in the new school; and
- (6) To receive educational records to the same extent as all other students.

(c) Sua sponte or upon appropriate motion, the family court may issue any necessary orders to any party, including the department, department of education, department of health, guardian ad litem, court appointed special advocate, or probation officer to ensure the child is provided with the rights enumerated in subsections (a) and (b).

(d) Nothing in this section shall establish a private cause of action for violation of any provision of this section."

SECTION 2. Section 587A, part I, Hawaii Revised Statutes, is amended by amending its title to read as follows:

"PART I. SHORT TITLE, PURPOSE, CONSTRUCTION, [GUIDING-PRINCIPLES,] RIGHTS, AND DEFINITIONS"

SECTION 3. Section 587A-3, Hawaii Revised Statutes, is repealed.

SECTION 4. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.¹

SECTION 5. This Act shall take effect upon its approval.

(Approved July 5, 2018.)

Note

1. Edited pursuant to HRS §23G-16.5.

A Bill for an Act Relating to a Youth Commission.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that increasing youth participation in the public policymaking process is a vital state interest. Hawaii has the lowest youth voter participation rate in the United States. In 2008, Hawaii had the lowest voter participation rate among eighteen to twenty-nine year olds in the country at thirty-one per cent, compared to fifty-seven per cent voter participation among those thirty years of age and older.

The legislature further finds that youth aged sixteen and seventeen may legally work, pay taxes, marry, and drive. However, they are denied a formal role in the political process because they are prohibited from voting. Although youth under the age of eighteen may not vote, they deserve access and input through other means to the policymaking process.

Many of the most persistent issues facing the State, such as affordable housing, jobs, and education, primarily affect youth. Youth are the ones who need a place to live, depend on good employment to support themselves and their families, and seek quality education for their children, if applicable. Yet after many decades, these issues remain among the most difficult to address.

The legislature further finds that a youth commission would enable a greater role for young people in the policymaking process. Furthermore, the legislature and governor would benefit from additional formal input from youth on the effect of legislation on young people in the State.

The purpose of this Act is to:

- (1) Establish a youth commission within the office of youth services to advise the governor and legislature on the effects of legislative policies, needs, assessments, priorities, programs, and budgets concerning the youth of the State; and
- (2) Appropriate funds for the hiring of one staff position to administer the youth commission and other administration costs.

SECTION 2. Chapter 352D, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

“§352D- Youth commission. (a) There is established within the office of youth services, for administrative purposes only, a youth commission to advise the governor and legislature on the effects of legislative policies, needs, assessments, priorities, programs, and budgets concerning the youth of the State.

(b) The commission shall:

- (1) Respond to requests for comment and recommendation on matters referred to it by the governor or legislature;
- (2) Conduct research and community outreach regarding the needs of the youth of Hawaii, including but not limited to increasing youth participation in government and public policy;
- (3) Make recommendations addressing the concerns and needs of the youth of Hawaii; and
- (4) Report to the governor and legislature the activities, goals, and accomplishments of the commission by July 1 of each calendar year beginning on July 1, 2019.

(c) The youth commission shall consist of fifteen members between the ages of fourteen and twenty-four and shall not be subject to section 26-34. Of the members:

- (1) Five members shall be appointed by the governor; provided that the governor shall ensure that each county is represented by at least one appointee; provided further that the governor shall ensure that at least one member is a previous recipient of youth services;
- (2) Five members shall be appointed by the president of the senate; and
- (3) Five members shall be appointed by the speaker of the house of representatives;

provided that the president of the senate and the speaker of the house of representatives shall appoint members representing the diversity of the State.

(d) Each member shall be appointed for a term of two years; provided that the initial terms of the appointed members shall be staggered as follows:

- (1) Six members, two each appointed by the governor, the president of the senate, and the speaker of the house of representatives, to serve three-year terms;
- (2) Six members, two each appointed by the governor, the president of the senate, and the speaker of the house of representatives, to serve two-year terms; and
- (3) Three members, one each appointed by the governor, the president of the senate, and the speaker of the house of representatives, to serve one-year terms.

(e) The youth commission shall annually elect a chairperson.

(f) Eight members of the youth commission shall constitute a quorum to do business. Any action taken by the commission shall be validated by a simple majority of the quorum.

(g) The youth commission members may invite other individuals to participate in commission activities as temporary, nonvoting members.

(h) If the governor, president of the senate, or speaker of the house of representatives fails to appoint a member to the youth commission for any reason within six months after a vacancy occurs, the commission by a majority vote may appoint a person who satisfies the requirements of this section to the commission to fill the vacancy.”

SECTION 3. There is appropriated out of the general revenues of the State of Hawaii the sum of \$81,416 or so much thereof as may be necessary for fiscal year 2018-2019 for the hiring of one staff position to administer the youth commission and other associated administrative costs.

The sum appropriated shall be expended by the office of youth services for the purposes of this Act.

SECTION 4. New statutory material is underscored.¹

SECTION 5. This Act shall take effect on July 1, 2018.

(Approved July 5, 2018.)

Note

1. Edited pursuant to HRS §23G-16.5.

A Bill for an Act Relating to Workers' Compensation Medical Benefits.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that in the course of duty, firefighters are exposed to contaminants known or suspected to cause cancer. Although fire departments use the best equipment and management practices available, firefighters are regularly exposed to multiple carcinogens since residential and vehicular fires release highly concentrated toxicants from burning plastics and other synthetic materials. In October 2013, researchers from the National Institute for Occupational Safety and Health published a study finding that firefighters have a higher risk for cancer than the general population. The study reviewed cancer diagnoses and deaths among thirty thousand firefighters from the Chicago, Philadelphia, and San Francisco fire departments and found that oral cancer and cancers of the respiratory, digestive, and urinary systems were the most common diagnoses.

The legislature further finds that H.C.R. No. 32, H.D. 1, S.D. 1, regular session of 2016, convened a task force to examine issues pertaining to cancer in the firefighting profession. The task force found that some states, including Arizona, California, Nevada, North Dakota, and Virginia, have statutorily provided for special benefit programs for firefighters diagnosed with cancer due to the higher occupational risk they assume in the performance of their duties.

The legislature believes that providing sufficient workers' compensation coverage for firefighters will ensure that firefighters receive proper medical treatment in a timely manner while reducing the emotional toil, financial burden, and impact of a decreased quality of life on firefighters diagnosed with cancer and their families.

The purpose of this Act is to address medical claims and include an expanded list of target organs as identified in the University of Cincinnati study. The legislature notes that this Act does not create any new benefits or enhance the existing benefits available to firefighters. Rather, this Act improves firefighters' access to comprehensive medical coverage while addressing medical coverage for specific organs affected by diseases arising out of and in the course of their employment.

SECTION 2. Chapter 386, Hawaii Revised Statutes, is amended by adding two new sections to part II, subpart A, to be appropriately designated and to read as follows:

“§386- Medical care, services, and supplies for controverted claims. In the event of a controverted claim, the injured employee's private health care plan shall pay for or provide medical care, services, and supplies in accordance with the private health care contract. When the claim is accepted or determined to be compensable, the employer shall reimburse the private health care plan and the injured employee in amounts as authorized by this chapter and rules adopted by the director.

§386- Medical care, services, and supplies for firefighters suffering from cancer. If a claim for leukemia, multiple myeloma, non-Hodgkin lymphoma, or cancer of the lung, brain, stomach, esophagus, intestines, rectum, kidney, bladder, prostate, or testes filed by an employee with five or more years of service as a firefighter is accepted or determined to be compensable, section

386-21 shall remain applicable; provided that the employer shall be liable for medical care, services, and supplies for a minimum of one hundred ten per cent, and not to exceed one hundred fifty per cent of fees prescribed in the Medicare Resource Based Relative Value Scale applicable to Hawaii as prepared by the United States Department of Health and Human Services.”

SECTION 3. New statutory material is underscored.¹

SECTION 4. This Act shall take effect upon its approval.

(Approved July 5, 2018.)

Note

1. Edited pursuant to HRS §23G-16.5.

ACT 108

S.B. NO. 2351

A Bill for an Act Relating to Equal Pay.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that pay disparity persists between men and women who do similar work. The Institute for Women’s Policy Research reported that if the progress to achieve pay parity continues at the same rate as it has since 1960, women and men will not reach pay parity until 2058.

The legislature further finds that existing Hawaii law generally prohibits an employer from paying an employee at wage rates less than the rates paid to employees of the opposite sex. However, in 2015, the gender wage gap in Hawaii stood at sixteen cents on the dollar. A woman working full-time and year-round earned an average of eighty-four cents to every dollar a man earned. The gap was far worse for women of color: for every dollar a white male made, African-American and Asian-American women made only seventy-three cents and Latina women made only sixty-seven cents. This wage gap extends across almost all occupations reporting in Hawaii.

The legislature believes that the ability of employers to consider a job applicant’s previous salary history is a contributing factor to the gender pay disparity. Women often disclose their lower salary histories, and employers offer lower salaries in response. In 2017, New York City became the first municipality in the United States to address this problem by prohibiting employers from requesting a job applicant’s salary history. Hawaii should follow suit to help promote equality in the workplace and close the pay gap between men and women.

The legislature further finds that there are extreme income disparities for native Hawaiians, particularly for native Hawaiian women, which suggests that the combination of gender and race discrimination in pay may significantly impact the native Hawaiian community. Recent research indicates that native Hawaiian men and women make less than the statewide average annual income. Native Hawaiian men earn on average \$7,621 less annually than the total male population statewide. Native Hawaiian women, meanwhile, make on average \$5,967 less in income annually than women statewide, \$11,393 less annually than native Hawaiian men, and an average of \$19,014 less than all men statewide. Native Hawaiian women make seventy cents for every dollar a man makes, and seventy-nine cents for every dollar a native Hawaiian man makes. Such dispari-

ties should be acknowledged and addressed in the search for true income equity in Hawaii.

The legislature also believes that pay secrecy undermines efforts to close the pay gap. A 2010 Institute for Women's Policy Research/Rockefeller Survey of Economic Security reported that 23.1 per cent of private sector workers reported that discussion of wages and salaries was formally prohibited, and an additional 38.1 per cent reported that this type of discussion was discouraged by managers. Pay secrecy inhibits workers from pursuing claims of pay discrimination because women cannot challenge wage discrimination that they do not know exists. The federal government and many states have taken action to end wage secrecy by prohibiting retaliation against employees who discuss wages. Hawaii can also take this step by prohibiting wage secrecy and retaliation or discrimination against employees who disclose or discuss their wages.

The purpose of this Act is to:

- (1) Disrupt the cycle of wage inequality for women and minorities by prohibiting prospective employers from requesting or considering a job applicant's prior wage or salary history in the job application process so that employers will set compensation offers based on skills and qualifications; and
- (2) Encourage equal pay between men and women by prohibiting enforced wage secrecy and prohibiting retaliation or discrimination against employees who disclose, discuss, or inquire about their own or coworkers' wages for the purpose of exercising rights under the law.

SECTION 2. Chapter 378, Hawaii Revised Statutes, is amended by adding a new section to part I to be appropriately designated and to read as follows:

- “§378- Employer inquiries into and consideration of salary or wage history.** (a) No employer, employment agency, or employee or agent thereof shall:
- (1) Inquire about the salary history of an applicant for employment; or
 - (2) Rely on the salary history of an applicant in determining the salary, benefits, or other compensation for the applicant during the hiring process, including the negotiation of an employment contract.
- (b) Notwithstanding subsection (a), an employer, employment agency, or employee or agent thereof, without inquiring about salary history, may engage in discussions with an applicant for employment about the applicant's expectations with respect to salary, benefits, and other compensation; provided that if an applicant voluntarily and without prompting discloses salary history to an employer, employment agency, or employee or agent thereof, the employer, employment agency, or employee or agent thereof, may consider salary history in determining salary, benefits, and other compensation for the applicant, and may verify the applicant's salary history.
- (c) This section shall not apply to:
 - (1) Applicants for internal transfer or promotion with their current employer;
 - (2) Any attempt by an employer, employment agency, or employee or agent thereof, to verify an applicant's disclosure of non-salary related information or conduct a background check; provided that if a verification or background check discloses the applicant's salary history, that disclosure shall not be relied upon during the hiring process for purposes of determining the salary, benefits, or other compensation of the applicant, including the negotiation of an employment contract; and

(3) Public employee positions for which salary, benefits, or other compensation are determined pursuant to collective bargaining.

(d) For purposes of this section:

“Inquire” means to:

(1) Communicate any question or statement to an applicant for employment, an applicant’s current or prior employer, or a current or former employee or agent of the applicant’s current or prior employer, in writing, verbally, or otherwise, for the purpose of obtaining an applicant’s salary history; or

(2) Conduct a search of publicly available records or reports for the purpose of obtaining an applicant’s salary history;

provided that this shall not include informing an applicant, in writing or otherwise, about the proposed or anticipated salary or salary range for the position.

“Salary history” includes an applicant for employment’s current or prior wage, benefits, or other compensation, but shall not include any objective measure of the applicant’s productivity, such as revenue, sales, or other production reports.”

SECTION 3. Section 378-2.3, Hawaii Revised Statutes, is amended to read as follows:

~~“§378-2.3~~ **Equal pay; sex discrimination.** (a) No employer shall discriminate between employees because of sex, by paying wages to employees in an establishment at a rate less than the rate at which the employer pays wages to employees of the opposite sex in the establishment for equal work on jobs the performance of which requires equal skill, effort, and responsibility, and that are performed under similar working conditions. Payment differentials resulting from:

(1) A seniority system;

(2) A merit system;

(3) A system that measures earnings by quantity or quality of production;

(4) A bona fide occupational qualification; or

(5) A differential based on any other permissible factor other than sex

do not violate this section.

(b) An employer shall not retaliate or discriminate against an employee for, nor prohibit an employee from, disclosing the employee’s wages, discussing and inquiring about the wages of other employees, or aiding or encouraging other employees to exercise their rights under this section.”

SECTION 4. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

SECTION 5. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.¹

SECTION 6. This Act shall take effect on January 1, 2019.

(Approved July 5, 2018.)

Note

1. Edited pursuant to HRS §23G-16.5.

A Bill for an Act Relating to Family Leave.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that Hawaii's working families are not adequately supported during times of caregiving and illness. While the Federal Family and Medical Leave Act of 1993 allows twelve weeks of unpaid leave to employees who have worked at a business that employs fifty or more employees, the majority of Hawaii's workforce cannot afford to take unpaid leave to care for a child or an elderly family member with a serious health condition. Hawaii law offers only a modest four-week extension of unpaid leave and this applies only to Hawaii's few large employers with more than one hundred employees.

The legislature further finds that only eleven per cent of workers in the United States have access to paid family leave through their employers. Women, as primary caregivers of infants, children, and elderly parents, are affected disproportionately by the unavailability of paid family and medical leave. In Hawaii, 247,000 people serve as family caregivers. Hawaii has the fastest growing population of individuals over the age of sixty-five in the nation, and that number is expected to grow by eighty-one per cent by the year 2030. Of those who would benefit from paid family leave, nearly one-third would take those leave benefits to care for an ill spouse or elderly parent. In short, most workers, at some point, will need to take time off to care for an ill family member, but very few can afford it.

The purpose of this Act is to require the legislative reference bureau to conduct a sunrise analysis to impart the legislative intent that the State must understand the impacts of the establishment of a paid family leave program on industry, consumers, employees, employers, and care givers prior to choosing a model or framework that will work best for Hawaii's workforce. The intent of this measure is to lay the groundwork for the establishment of a paid family leave framework that will enable all employees to access leave benefits during times when they need to provide care for a family member.

SECTION 2. (a) By September 1, 2019, the legislative reference bureau shall conduct and complete a sunrise analysis to assist the legislature in determining the most appropriate framework or model for the establishment of paid family leave for the State and relative potential impacts and safeguard measures. The sunrise analysis shall include but not be limited to:

- (1) A comparative analysis of other state paid leave models, including a review of current temporary disability insurance usage and other state temporary disability insurance models. In the analysis of each model, the legislative reference bureau shall consider the following:
 - (A) Scope of coverage;
 - (B) Gender equity;
 - (C) Ease of making applications or claims;
 - (D) Speed of benefit payment;
 - (E) Financial sustainability;
 - (F) Administration;
 - (G) Data collection capabilities; and
 - (H) Compliance monitoring abilities;
- (2) Hawaii-based cost breakdowns by model on projected impacts to employers by size, impacts to employees, and estimated impacts on the cost of compliance as it relates to other employer mandates; and

- (3) Examination of options for compliance and enforcement of the proposed paid family leave program with recommendations for additional staffing and support for the department of labor and industrial relations to effectuate a program.
- (b) The legislative reference bureau shall submit a report of its findings and recommendations, including proposed legislation, to the legislature no later than September 1, 2019.
- (c) The legislative reference bureau shall be authorized to request and obtain any data from relevant state departments and agencies necessary to conduct the sunrise analysis.

SECTION 3. There is appropriated out of the general revenues of the State of Hawaii the sum of \$350,000 or so much thereof as may be necessary for fiscal year 2018-2019 for the legislative reference bureau to conduct the sunrise analysis pursuant to section 2 of this Act.

The sum appropriated shall be expended by the legislative reference bureau for the purposes of this Act.

SECTION 4. The legislative reference bureau may contract the services of a consultant with the funds appropriated in section 3 of this Act. The contracting of services under this Act shall be exempt from chapter 103D, Hawaii Revised Statutes.

SECTION 5. This Act shall take effect on July 1, 2018.

(Approved July 5, 2018.)

ACT 110

H.B. NO. 1489

A Bill for an Act Relating to Civil Rights.

Be It Enacted by the Legislature of the State of Hawaii:

PART I

SECTION 1. The legislature finds that Title IX of the Education Amendment of 1972 (20 U.S.C. 1681 et seq.) (Title IX), renamed the Patsy Mink Equal Opportunity in Education Act in 2002, triggered a seismic shift in the education landscape by prohibiting discrimination on the basis of sex by any education program of activity receiving federal funds. The legislature also finds that Hawaii is rightfully proud of Patsy Mink's signature legislation, which has given millions of girls and women educational opportunities that were undreamed of before enactment of Title IX, in the classroom and on playing fields; in research, teaching, and graduate schools; and in employment, medicine, law, and other professions. The legislature recognizes, however, that Patsy Mink's celebrated legacy has not been fully realized, and that the efficacy of Title IX federal protections against sex discrimination in education has been diminished and eroded. For these reasons, the legislature believes it is time to consider and address the need for a corollary to Title IX in state law.

Accordingly, the purpose of this Act is to:

- (1) Provide for a state corollary to Title IX that prohibits discrimination on the basis of sex, including gender identity or expression, or sexual orientation, in any state educational program or activity, or in any educational program or activity that receives state financial

assistance, without regard to whether the educational program or activity also receives federal funds; and

- (2) Direct the legislative reference bureau to conduct a study of existing Title IX procedures on the federal level and in other jurisdictions and recommend proposed legislation.

PART II

SECTION 2. The Hawaii Revised Statutes is amended by adding a new chapter to title 20 to be appropriately designated and to read as follows:

**“CHAPTER
DISCRIMINATION IN STATE EDUCATIONAL PROGRAMS AND
ACTIVITIES**

§ -1 State educational programs and activities; discrimination prohibited. (a) No person in the State, on the basis of sex, including gender identity or expression as defined in section 489-2, or sexual orientation as defined in section 489-2, shall be excluded from participation in, be denied the benefits of, or be subjected to discrimination under:

- (1) Any state educational program or activity; or
- (2) Any educational program or activity that receives state financial assistance.

(b) Nothing in this chapter shall preclude a student participating in any educational program or activity who is aggrieved by a violation of this chapter from filing a civil action in a court of competent jurisdiction.

(c) A person, or an organization or association on behalf of a person alleging a violation of this chapter may file a complaint pursuant to this chapter.

(d) As used in this section:

“Educational program or activity that receives state financial assistance” means any educational program or activity that receives state financial assistance, in any amount, for any purpose. The term does not exclude an educational program or activity that also receives federal funds.

“State educational program or activity” means an educational program or activity of the University of Hawaii, the department of education, or public charter schools.”

PART III

SECTION 3. The legislative reference bureau shall conduct a study of existing Title IX enforcement practices and procedures on the federal level and in other jurisdictions, including the following:

- (1) A detailed review of enforcement entities responsible for overseeing the investigation and adjudication of complaints under Title IX and related state laws prohibiting discrimination on the basis of sex;
- (2) An examination of issues related to service and standing for bringing applicable complaints;
- (3) A review of the various remedies for violations that may be available to an aggrieved party, including alternative dispute resolution, injunctive relief, and civil damages; and
- (4) An examination of any potential inconsistencies between multiple state and federal compliance mandates and regulatory schemes.

No later than twenty days prior to the convening of the regular session of 2019, the legislative reference bureau shall submit a report to the legislature

with findings and recommendations on the foregoing issues, including proposed legislation concerning an appropriate enforcement mechanism for chapter , Hawaii Revised Statutes.

PART IV

SECTION 4. This Act shall take effect on January 1, 2020; provided that part III shall take effect on July 1, 2018.

(Approved July 5, 2018.)

ACT 111

S.B. NO. 2340

A Bill for an Act Relating to Health Insurance.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that the Patient Protection and Affordable Care Act of 2010 ("Affordable Care Act"), P.L. 111-148, has resulted in an estimated 20,000,000 Americans gaining health insurance coverage. The provisions under the Affordable Care Act made changes to private insurance that expanded coverage options, including permitting young adults to remain on their parents' health insurance plans, requiring health insurance plans to cover people with preexisting health conditions, and prohibiting discrimination based on gender. According to a report from the United States Department of Health and Human Services, more than 6,000,000 uninsured young adults ages nineteen to twenty-five have gained health insurance coverage due to the Affordable Care Act. This is especially important because young adults were particularly likely to be uninsured before the law went into effect.

The legislature further finds that the future of the Affordable Care Act remains uncertain. The current Presidential administration campaigned on a promise to repeal the Affordable Care Act, and certain members of Congress have supported that approach, which could have widespread and devastating ramifications. The Urban Institute has estimated that repealing the Affordable Care Act without an adequate replacement plan that ensures affordable coverage would take health insurance coverage away from 29,800,000 people nationwide by 2019, more than doubling the total number of uninsured to 58,700,000.

The legislature concludes that, due to the uncertainty over the future of the Affordable Care Act, it is vital to preserve certain important aspects of the Act for residents of Hawaii.

Accordingly, the purpose of this Act is to ensure that the following benefits made available under the Affordable Care Act, which may not otherwise be available under the State's Prepaid Health Care Act, remain available under Hawaii law:

- (1) Extending dependent coverage for adult children until the children turn twenty-six years of age;
- (2) Prohibiting health insurance entities from imposing a preexisting condition exclusion; and
- (3) Prohibiting health insurance entities from using an individual's gender to determine premiums or contributions.

SECTION 2. Chapter 431, Hawaii Revised Statutes, is amended by adding three new sections to part I of article 10A to be appropriately designated and to read as follows:

“§431:10A- Extension of dependent coverage. An individual policy of accident and health or sickness insurance and a health insurer offering individual accident and health or sickness insurance coverage that provides dependent coverage of children shall continue to make that coverage available for an adult child until the child turns twenty-six years of age. Nothing in this section shall require a policy or health insurer to make coverage available for a child of a child receiving dependent coverage.

§431:10A- Prohibition of preexisting condition exclusions. (a) No individual policy of accident and health or sickness insurance issued or renewed in this State shall impose any preexisting condition exclusion.

(b) For purposes of this section, a “preexisting condition exclusion” means a limitation or exclusion of benefits, including a denial of coverage, based on the fact that the condition was present before the effective date of coverage (or if coverage is denied, the date of the denial) under an individual policy of accident and health or sickness insurance, whether or not any medical advice, diagnosis, care, or treatment was recommended or received before that day, and includes any condition.

The term “preexisting condition exclusion” includes any limitation or exclusion of benefits, including a denial of coverage, applicable to an individual as a result of information relating to an individual’s health status before the individual’s effective date of coverage (or if coverage is denied, the date of the denial) under an individual policy of accident and health or sickness insurance, such as a condition identified as a result of a pre-enrollment questionnaire or physical examination given to the individual or a review of medical records relating to the pre-enrollment period.

§431:10A- Prohibited discrimination in premiums or contributions. No individual policy of accident and health or sickness insurance and no health insurer offering individual accident and health or sickness insurance coverage issued or renewed in this State shall require an individual, as a condition of enrollment or continued enrollment under the policy, to pay a premium or contribution based on the individual’s gender that is greater than the premium or contribution for a similarly situated individual of the opposite gender who is covered under the same policy or a substantially similar policy offered by the same insurer.”

SECTION 3. Chapter 431, Hawaii Revised Statutes, is amended by adding three new sections to part II of article 10A to be appropriately designated and to read as follows:

“§431:10A- Extension of dependent coverage. A group policy of accident and health or sickness insurance and a health insurer offering group accident and health or sickness insurance coverage that provides dependent coverage of children shall continue to make that coverage available for an adult child until the child turns twenty-six years of age. Nothing in this section shall require a policy or health insurer to make coverage available for a child of a child receiving dependent coverage.

§431:10A- Prohibition of preexisting condition exclusions. (a) No group policy of accident and health or sickness insurance issued or renewed in this State shall impose any preexisting condition exclusion.

(b) For purposes of this section, a “preexisting condition exclusion” means a limitation or exclusion of benefits, including a denial of coverage, based

on the fact that the condition was present before the effective date of coverage (or if coverage is denied, the date of the denial) under a group policy of accident and health or sickness insurance, whether or not any medical advice, diagnosis, care, or treatment was recommended or received before that day and includes any condition.

The term “preexisting condition exclusion” includes any limitation or exclusion of benefits, including a denial of coverage, applicable to an individual as a result of information relating to an individual’s health status before the individual’s effective date of coverage (or if coverage is denied, the date of the denial) under a group policy of accident and health or sickness insurance, such as a condition identified as a result of a pre-enrollment questionnaire or physical examination given to the individual, or review of medical records relating to the pre-enrollment period.

§431:10A- Prohibited discrimination in premiums or contributions. No group policy of accident and health or sickness insurance and no health insurer offering group accident and health or sickness insurance coverage issued or renewed in this State shall require an individual, as a condition of enrollment or continued enrollment under the policy, to pay a premium or contribution based on the individual’s gender that is greater than the premium or contribution for a similarly situated individual of the opposite gender who is covered under the same policy or a substantially similar policy offered by the same insurer.”

SECTION 4. Chapter 432, Hawaii Revised Statutes, is amended by adding three new sections to article 1 to be appropriately designated and to read as follows:

“§432:1- Extension of dependent coverage. Each individual or group hospital or medical service plan contract and each mutual benefit society offering individual or group hospital or medical service plan contracts that provide dependent coverage of children shall continue to make that coverage available for an adult child until the child turns twenty-six years of age. Nothing in this section shall require a plan contract to make coverage available for a child of a child receiving dependent coverage.

§432:1- Prohibition of preexisting condition exclusions. (a) No individual or group hospital or medical service plan contract issued or renewed in this State shall impose any preexisting condition exclusion.

(b) For purposes of this section, a “preexisting condition exclusion” means a limitation or exclusion of benefits, including a denial of coverage, based on the fact that the condition was present before the effective date of coverage (or if coverage is denied, the date of the denial) under an individual or group hospital or medical service plan contract, whether or not any medical advice, diagnosis, care, or treatment was recommended or received before that day and includes any condition.

The term “preexisting condition exclusion” includes any limitation or exclusion of benefits, including a denial of coverage, applicable to an individual as a result of information relating to an individual’s health status before the individual’s effective date of coverage (or if coverage is denied, the date of the denial) under an individual or group hospital or medical service plan contract, such as a condition identified as a result of a pre-enrollment questionnaire or physical examination given to the individual, or review of medical records relating to the pre-enrollment period.

§432:1- Prohibited discrimination in premiums or contributions. No individual or group hospital or medical service plan contract and no mutual benefit society offering individual or group hospital or medical service plan contracts issued or renewed in this State shall require an individual, as a condition of enrollment or continued enrollment under the plan contract, to pay a premium or contribution based on the individual's gender that is greater than the premium or contribution for a similarly situated individual of the opposite gender who is covered under the same plan contract or a substantially similar plan contract offered by the same mutual benefit society."

SECTION 5. Chapter 432D, Hawaii Revised Statutes, is amended by adding three new sections to be appropriately designated and to read as follows:

"§432D- Extension of dependent coverage. Each individual or group policy, contract, plan, or agreement and each health maintenance organization offering individual or group policies, contracts, plans, or agreements that provides dependent coverage of children shall continue to make that coverage available for an adult child until the child turns twenty-six years of age. Nothing in this section shall require a policy, contract, plan, or agreement to make coverage available for a child of a child receiving dependent coverage.

§432D- Prohibition of preexisting condition exclusions. (a) No individual or group health maintenance organization policy, contract, plan, or agreement issued or renewed in this State shall impose any preexisting condition exclusion.

(b) For purposes of this section, a "preexisting condition exclusion" means a limitation or exclusion of benefits, including a denial of coverage, based on the fact that the condition was present before the effective date of coverage (or if coverage is denied, the date of the denial) under an individual or group health maintenance organization policy, contract, plan, or agreement, whether or not any medical advice, diagnosis, care, or treatment was recommended or received before that day and includes any condition.

The term "preexisting condition exclusion" includes any limitation or exclusion of benefits, including a denial of coverage, applicable to an individual as a result of information relating to an individual's health status before the individual's effective date of coverage (or if coverage is denied, the date of the denial) under an individual or group health maintenance organization policy, contract, plan, or agreement, such as a condition identified as a result of a pre-enrollment questionnaire or physical examination given to the individual, or review of medical records relating to the pre-enrollment period.

§432D- Prohibited discrimination in premiums or contributions. No individual or group policy, contract, plan, or agreement and no health maintenance organization offering group or individual policies, contracts, plans, or agreements issued or renewed in this State shall require an individual, as a condition of enrollment or continued enrollment under a policy, contract, plan, or agreement, to pay a premium or contribution based on the individual's gender that is greater than the premium or contribution for a similarly situated individual of the opposite gender who is covered under the same policy, contract, plan, or agreement or a substantially similar policy, contract, plan, or agreement offered by the same health maintenance organization."

SECTION 6. New statutory material is underscored.¹

SECTION 7. This Act shall take effect upon its approval.

(Approved July 5, 2018.)

Note

1. Edited pursuant to HRS §23G-16.5.

ACT 112

H.B. NO. 2133

A Bill for an Act Relating to Police Departments.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that domestic violence is an epidemic affecting individuals in every community, regardless of age, economic status, race, religion, nationality, or educational background. According to the National Coalition Against Domestic Violence, one in every four women will experience domestic violence in her lifetime. Between 2008 and 2012, there was an eighteen per cent increase statewide in arrests relating to abuse of family or household members. During this same time period, there was also an increase in the number of persons served by various statewide agencies who provide services to victims of domestic violence.

The legislature further finds that the Honolulu police department has been heavily criticized by lawmakers and the public in the wake of a recent high-profile incident involving an off-duty Honolulu police department sergeant. In September 2014, the off-duty sergeant was captured on surveillance video punching his then-girlfriend in a Waipahu restaurant. However, the sergeant was not arrested at the scene and responding officers failed to file a report. According to news reports, it was only on the following day, after a citizen provided the Honolulu police department and the press with the surveillance video, that the department took action to remove the sergeant of his police powers and began an internal investigation into the incident. An Oahu grand jury later determined there was not enough evidence to indict the sergeant for his actions, although the internal investigation into the sergeant and the responding officers was still ongoing.

The sergeant's actions sparked concern about the way police handle domestic violence cases and triggered an informational briefing at the state capitol, where Honolulu's then-police chief and two of his deputies were intensively questioned about the Honolulu police department's policies regarding domestic violence investigations.

Service providers who assist domestic violence victims were also at the informational briefing. Some of these providers expressed concern that the incident involving the Honolulu police department sergeant reflects a larger problem within the department. Between May 2013 and September 2014, the Hawaii state commission on the status of women received approximately thirty-eight separate complaints from women who said officers with the Honolulu police department did not respond appropriately to allegations of abuse. According to the commission, approximately one-third of these instances involved a police officer or a relative of a police officer as the alleged abuser. The commission believes that the September 2014 incident involving the off-duty sergeant was not an isolated incident, but rather a pattern of inappropriate handling by some police officers in response to allegations of domestic violence.

The then-Honolulu police chief and his deputies told lawmakers at the informational briefing that the Honolulu police department has a zero tolerance policy when it comes to domestic violence and other serious offenses. However, the department's record on disciplining officers for domestic violence-related misconduct was called into question by lawmakers at the briefing.

Pursuant to section 52D-3.5, Hawaii Revised Statutes, the chief of each county police department is required to submit an annual report to the legislature that includes, among other things, a summary of the facts and the nature of the misconduct for incidents which resulted in the suspension or discharge of a police officer and the disciplinary action imposed for each incident. The Honolulu police department's 2012 annual report to the legislature indicates thirty-five incidents which resulted in discipline against an officer. Of these, three specifically involved domestic-related incidents, including an officer who was involved in a domestic dispute that escalated into a physical altercation causing pain to the complainant, an officer repeatedly contacting an ex-girlfriend after being told the contact was unwanted, and an officer repeatedly contacting an estranged spouse after being told the contact was unwanted. Each of these three incidents resulted in a one-day suspension.

In comparison, other non-domestic related incidents in the 2013 report resulted in much harsher disciplinary action. For instance, an officer arrested for possession of marijuana and driving under the influence received a twenty-day suspension. Another officer conspired with other officers relating to special duty assignments and received a ten-day suspension. Another officer was discharged for failing a drug urinalysis test. Furthermore, a Honolulu Civil Beat analysis of annual Honolulu police department misconduct summaries turned up twenty-five incidents of domestic violence from 2000 through 2012. Three officers were discharged but, according to information provided to Honolulu Civil Beat by the Honolulu police department, their dismissals were not upheld.

This disciplinary disparity leads the legislature to question whether the Honolulu police department is minimizing the problem of domestic violence, particularly when incidents involve a police officer. The legislature also questions whether any potential minimization of alleged incidents of domestic violence involving police officers is based on concern over the Lautenberg Amendment, a federal law that forbids anyone, including a police officer, with a misdemeanor domestic violence conviction from owning or possessing a firearm.

The legislature additionally finds that as part of the police union's collective bargaining agreement, all external complaints against a police officer must be in writing and sworn to by the complainant. The legislature is concerned that this requirement may discourage individuals involved in a domestic dispute with a police officer from reporting the abuse. The legislature is also concerned that this requirement revictimizes a complainant, by forcing the complainant to swear to something in writing.

The legislature acknowledges that the majority of police officers enforce the law and act appropriately toward members of the public. However, there are also police officers who do not respond to domestic violence situations appropriately when the perpetrator is a fellow police officer. Such actions lessen the public's trust in the police and bring down the reputation of police departments as a whole.

The purpose of this Act is to avoid the revictimization of officer-involved domestic violence victims by ensuring that individuals who wish to report allegations of officer-involved domestic abuse against a family or household member do not have to do so by filing a notarized or sworn written statement.

SECTION 2. Chapter 52D, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

“§52D- Citizen administrative complaints; officer-involved domestic violence. Citizen administrative complaints against a police officer that involve allegations of domestic abuse by the police officer against a family or household member shall not be required to be filed as a notarized or sworn written statement.

For purposes of this section, “family or household member” has the same meaning as in section 709-906.”

SECTION 3. New statutory material is underscored.¹

SECTION 4. This Act shall take effect upon its approval.

(Approved July 5, 2018.)

Note

1. Edited pursuant to HRS §23G-16.5.

ACT 113

H.B. NO. 2131

A Bill for an Act Relating to Sexual Assault.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that deoxyribonucleic acid (DNA) evidence is a powerful law enforcement tool that can identify unknown suspects, connect crimes to known perpetrators, and exonerate the innocent. The legislature further finds that establishing standard and efficient sexual assault evidence collection kit handling procedures and a statewide tracking system would ensure that victims of sexual assault receive accurate information that enables them to take steps to protect their rights, and prevent the misplacement of kits, delays in testing, and destruction of evidence.

It is the intent of the legislature that sexual assault evidence collection kits are tested in a timely manner to enhance public safety by protecting sexual assault survivors, exonerating the innocent, and holding offenders accountable.

The purpose of this Act is to address the manner in which sexual assault evidence collection kits are processed and tracked and to ensure that victims of sexual assault are informed of their rights under the law.

SECTION 2. The Hawaii Revised Statutes is amended by adding a new chapter to title 38 to be appropriately designated and to read as follows:

**“CHAPTER
SEXUAL ASSAULT EVIDENCE COLLECTION KITS**

§ -1 **Definitions.** As used in this chapter:

“Accredited and approved DNA laboratory” means a DNA laboratory that:

- (1) Meets the requirements of section 844D-54; and
- (2) Conducts DNA analysis eligible for upload to the Combined DNA Index System, as approved by its state administrator.

“Combined DNA Index System” means the FBI’s program of support for criminal justice DNA databases as well as the software used to run these databases.

“Department” means the department of the attorney general.

“DNA” means deoxyribonucleic acid.

“DNA analysis” refers to the following process:

- (1) The taking of DNA samples from evidence containing DNA from a known individual or DNA of unknown origin;
- (2) The isolation of DNA to develop DNA profiles; and
- (3) The determination of the DNA test results.

“Eligible” means in compliance with the FBI’s specific requirements for a state’s participation in the National DNA Index System, pursuant to the federal DNA Identification Act, title 34 U.S.C. section 12592(b).

“Law enforcement agency” means a county police department.

“Medical forensic examination” means an examination provided to a victim of a suspected sexual assault by a health care provider to address medical concerns resulting from the sexual assault and to collect and preserve evidence that may be used in a police investigation and any subsequent prosecution.

“Reported sexual assault evidence collection kit” or “reported kit” means a sexual assault evidence collection kit for a case in which:

- (1) The victim reported a sexual offense to a law enforcement agency; or
- (2) The victim reported a sexual offense to a law enforcement agency and a formal complaint was generated; the victim subsequently requested that the complaint be withdrawn; but the victim subsequently chose to reinstate the complaint.

“Sexual assault evidence collection kit” means a kit that contains a human biological specimen or specimens collected by a health care provider during a medical forensic examination from the victim of a suspected criminal sexual offense.

“Status” refers to the location, date, and time that a sexual assault evidence collection kit is transferred within the chain of custody.

“Unreported sexual assault evidence collection kit” or “unreported kit” means a sexual assault evidence collection kit for a case in which:

- (1) The victim chose not to report a sexual offense to a law enforcement agency; or
- (2) The victim reported a sexual offense to a law enforcement agency and a formal complaint was generated; but the complaint was subsequently withdrawn at the victim’s request.

§ -2 Hawaii sexual assault response and training program. (a) The department shall establish a Hawaii sexual assault response and training program that shall consist of members who are directly involved with the use, management, and testing of sexual assault evidence collection kits, or are involved with, communicate with, or otherwise support sexual assault victims, including but not limited to the respective police departments of each county, the state or county Combined DNA Index System administrator, the respective prosecuting attorney departments of each county, and sexual assault service providers.

(b) The Hawaii sexual assault response and training program shall have regularly scheduled meetings to strengthen the coordinated community response and level of quality care for victims of sexual assault, and shall develop and maintain:

- (1) Specific guidelines for all medical forensic examinations in the State that shall be issued to all sex assault programs and centers, county

- contractors, and any other facilities that perform medical forensic examinations;
- (2) A protocol for the collection of forensic evidence included within a sexual assault evidence collection kit;
 - (3) A statewide standard data set, including status and location information that all counties shall include in their respective sexual assault evidence collection kit tracking systems;
 - (4) Policies and procedures for sex assault programs and centers, county contractors, and any other facilities that retain sexual assault evidence collection kits under this chapter regarding proper preservation, transfer, tracking, and disposal of kits; and
 - (5) Appropriate language for disclosures that shall be made to any person undergoing a medical forensic examination, including but not limited to the length of time a kit may be stored or retained, the point at which a kit may be disposed, and the person's ability to access the status of their kit through the appropriate county tracking system.

§ -3 Annual statewide inventory and report of sexual assault evidence collection kits. The department shall prepare and submit an annual report to the president of the senate and speaker of the house of representatives no later than twenty days prior to the convening of each regular session, beginning with the regular session of 2019, detailing for the prior fiscal year:

- (1) The number of sexual assault evidence collection kits collected in each county;
- (2) The number of reported sexual assault evidence collection kits collected in each county;
- (3) The number of unreported sexual assault evidence collection kits collected in each county;
- (4) The number of reported sexual assault evidence collection kits that were submitted to an accredited and approved DNA laboratory for analysis;
- (5) Of the reported sexual assault evidence collection kits submitted to an accredited and approved DNA laboratory for analysis, the number for which analysis has been completed;
- (6) The number of reported sexual assault evidence collection kits that were not submitted to an accredited and approved DNA laboratory for analysis;
- (7) The number of sexual assault evidence collection kits disposed of in each county, pursuant to section -4;
- (8) The number of sexual assault evidence collection kits disposed of in each county, for reasons not provided in section -4, and the reason for disposal;
- (9) All reasons any kit was in an entity's possession for longer than the periods allowed under section -5; and
- (10) The number of new prosecutions initiated as a result of an actionable Combined DNA Index System hit on sexual assault evidence collection kits collected prior to July 1, 2016.

The report shall also be made available to the public on the department's website.

§ -4 Unreported sexual assault evidence collection kits. (a) A victim who chooses not to file a police report at the time of undergoing a medical forensic examination:

- (1) May request in writing that the unreported kit be held by the sexual assault program or center in that county; provided that if the victim does not so request, then the appropriate law enforcement agency shall take possession of the unreported kit pursuant to section -5;
 - (2) Shall not be deemed to have waived the victim's right to report the crime and to have the victim's kit tested in the future; and
 - (3) Shall be informed of the date the victim's kit will be disposed of, in writing, at the time of the examination.
- (b) Agencies, organizations, and other entities in possession of unreported sexual assault evidence collection kits shall store the kits for at least six years if the victim was eighteen years of age or older at the time of incident, and at least twenty years if the victim was under eighteen years of age at the time of incident.

§ -5 Mandatory submission and testing requirements for sexual assault evidence collection kits. (a) An agency, program, center, or other entity that collects a sexual assault evidence collection kit shall notify the appropriate law enforcement agency as soon as practicable after the kit's collection; provided that the notification shall be no later than twenty-four hours after the collection occurred.

- (b) A notified law enforcement agency shall:
 - (1) Take possession of the sexual assault evidence collection kit from the agency, program, center, or other entity that collected the kit within three business days of receiving notification, if it is either a reported sexual assault evidence collection kit or an unreported sexual assault evidence collection kit that the victim has not requested to be held by the sexual assault program or center in that county;
 - (2) Submit a written request for testing of the reported sexual assault evidence collection kit to an accredited and approved DNA laboratory within fifteen business days of taking possession of the kit; and
 - (3) Within ten business days of acceptance for testing by an accredited and approved DNA laboratory, submit the kit to the laboratory for testing.
- (c) An accredited and approved DNA laboratory in the State shall:
 - (1) Notify a law enforcement agency that has submitted a written request for testing, within fourteen days of receiving the request, as to whether the laboratory accepts the request or instead recommends providing the reported sexual assault evidence collection kit to another laboratory for testing; and
 - (2) Pursue DNA analysis of a sexual assault evidence collection kit that was accepted from a law enforcement agency to develop DNA profiles that are eligible for entry into the Combined DNA Index System.
- (d) The state Combined DNA Index System administrator or their designee shall enter a DNA profile into the Combined DNA Index System database pursuant to section 844D-2; provided that the testing of a sexual assault evidence collection kit resulted in an eligible DNA profile; provided further that:
 - (1) Prior to July 1, 2023, the average completion rate for the analysis and classification required by this section shall not exceed one hundred eighty days; and
 - (2) On or after July 1, 2023, the average completion rate for the analysis and classification required by this section shall not exceed ninety days.

(e) For cases in which no judgment of conviction has been entered, and there has been no acquittal or final dismissal, a law enforcement agency that is in possession of a reported sexual assault evidence collection kit shall retain the kit for fifty years or until the expiration of the period of limitation for any prosecutable offense under section 701-108, whichever is longer. For cases in which a judgment of conviction has been entered, a law enforcement agency that is in possession of a reported sexual assault evidence collection kit shall retain the kit pursuant to the requirements of section 844D-126.

(f) A law enforcement agency's lack of compliance with any of the time requirements of this section shall not:

- (1) Constitute grounds on which to challenge the validity of DNA evidence in any criminal or civil proceeding;
- (2) Justify a court to exclude any evidence generated from a sexual assault evidence collection kit; or
- (3) Provide a basis for a person who is accused or convicted of committing a crime against a victim to request that the person's case be dismissed or conviction be set aside.

(g) This section shall not establish a private cause of action or claim on the part of any individual, agency, organization, or other entity against any law enforcement agency or against any accredited and approved DNA laboratory.

(h) The requirements of this section concerning notice and transfer of a sexual assault evidence collection kit to a law enforcement agency, and a law enforcement agency's handling of the kit, shall not apply to:

- (1) Cases that are under the primary jurisdiction of agencies outside of the authority of the State; or
- (2) Cases in which jurisdiction may be asserted by more than one agency; provided that all reasonable efforts shall be made to determine jurisdiction as soon as practicable; provided further that if primary jurisdiction is determined to belong to a law enforcement agency under the authority of the State, then notice and transfer of a sexual assault evidence collection kit to the law enforcement agency, and the law enforcement agency's handling of the kit, shall be in accordance with the requirements of this section as of the date on which jurisdiction was established with respect to the kit's collection.

§ -6 Tracking system for sexual assault evidence collection kits. (a)

No later than January 1, 2020, each county shall establish an electronic tracking system for sexual assault evidence collection kits. At a minimum, each system shall:

- (1) Track the status of sexual assault evidence collection kits from the specimen collection site to final storage or disposal, including but not limited to the initial collection, inventory, and storage by law enforcement agencies or accredited and approved DNA laboratories; analysis at accredited and approved DNA laboratories; and storage or disposal after completion of analysis;
- (2) Allow all entities, approved by the department, that collect, receive, maintain, store, or preserve sexual assault evidence collection kits to update the status and location of the kits; and
- (3) Allow victims of sexual assault to access the system for the location and status of their respective sexual assault evidence collection kits.

(b) All agencies, organizations, and other entities approved by the department and in the chain of custody of sexual assault evidence collection kits shall participate in the tracking system by updating the status and location of

kits, as appropriate. The department shall have access to all tracking systems statewide, at all times.

§ -7 Victims' right to notification and other information. (a) A sexual assault victim has the right to receive a medical forensic examination, regardless of whether the victim chooses to report the assault to a law enforcement agency.

(b) Each law enforcement agency shall designate at least one person, who is trained in trauma and victim response, to receive all inquiries concerning sexual assault evidence collection kits and to serve as a liaison between the agency and victims.

(c) A sexual assault victim shall be provided with the contact information for the designated liaison or liaisons at the time that the victim's sexual assault evidence collection kit is collected.

(d) In advance of or during a medical forensic examination or law enforcement agency interview, medical professionals, victim advocates, law enforcement officers, or prosecutors shall provide a sexual assault victim with a physical document developed by the Hawaii sexual assault response and training program that identifies the victim's rights under this chapter, including:

- (1) Support from, and consultation with, a crisis worker at the time that a sexual assault evidence collection kit is collected; provided that sufficient funding is available;
- (2) Information about the current location, analysis date and status, and estimated disposal date of the victim's sexual assault evidence collection kit;
- (3) Notification when there is any major development, as defined in section 801D-2, in a case that the victim reported to a law enforcement agency, including whether the case has been closed or reopened;
- (4) Designation of a person of the victim's choosing to act as a recipient of the information provided under this subsection;
- (5) Information on how to report an offense to a law enforcement agency and how to request that the victim's sexual assault evidence collection kit be analyzed in the future; provided that the victim either chose not to report the offense at the time the victim's kit was collected, or previously withdrew the report but later chose to reinstate the report; and
- (6) Information about the availability of crime victim compensation and other services for victims of sexual assault, as appropriate."

SECTION 3. Section 706-603, Hawaii Revised Statutes, is amended by amending subsection (3) to read as follows:

"(3) There is established a special fund to be known as the DNA registry special fund which shall be administered by the attorney general. The fund shall consist of:

- (a) All assessments and penalties ordered pursuant to subsection (1);
- (b) All other moneys received by the fund from any other source; and
- (c) Interest earned on any moneys in the fund.

Moneys in the DNA registry special fund shall be used for the Hawaii sexual assault response and training program established pursuant to chapter _____; costs related to testing and storage of sexual assault evidence collection kits pursuant to chapter _____; and DNA collection, DNA testing, and related costs of recording, preserving, and disseminating DNA information pursuant to chapter 844D."

SECTION 4. There is appropriated out of the DNA registry special fund the sum of \$350,743 or so much thereof as may be necessary for fiscal year 2018-2019 for the staffing, training, materials, and travel expenses of the Hawaii sexual assault response and training program and for costs related to testing and storage of sexual assault evidence collection kits pursuant to chapter , Hawaii Revised Statutes.

The sum appropriated shall be expended by the department of the attorney general for the purposes of this Act.

SECTION 5. New statutory material is underscored.

SECTION 6. This Act shall take effect on July 1, 2018; provided that section -4, Hawaii Revised Statutes, established by section 2 of this Act, shall take effect on January 1, 2019.

(Approved July 5, 2018.)

ACT 114

H.B. NO. 2134

A Bill for an Act Relating to Violation of Privacy.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 711-1110.9, Hawaii Revised Statutes, is amended to read as follows:

“§711-1110.9 Violation of privacy in the first degree. (1) A person commits the offense of violation of privacy in the first degree if, except in the execution of a public duty or as authorized by law:

- (a) The person intentionally or knowingly installs or uses, or both, in any private place, without consent of the person or persons entitled to privacy therein, any device for observing, recording, amplifying, or broadcasting another person in a stage of undress or sexual activity in that place; or
- (b) The person knowingly discloses or threatens to disclose an image or video of another identifiable person either in the nude, as defined in section 712-1210, or engaging in sexual conduct, as defined in section 712-1210, without the consent of the depicted person, with intent to harm substantially the depicted person with respect to that person’s health, safety, business, calling, career, education, financial condition, reputation, or personal relationships[;] or as an act of revenge or retribution; provided that:
 - (i) This paragraph shall not apply to images or videos of the depicted person made:
 - (A) When the person was voluntarily nude in public or voluntarily engaging in sexual conduct in public; or
 - (B) Pursuant to a voluntary commercial transaction; and
 - (ii) Nothing in this paragraph shall be construed to impose liability on a provider of “electronic communication service” or “remote computing service” as those terms are defined in section 803-41, for an image or video disclosed through the electronic communication service or remote computing service by another person.

(2) Violation of privacy in the first degree is a class C felony. In addition to any penalties the court may impose, the court may order the destruction of any recording made in violation of this section.

(3) Any recording or image made or disclosed in violation of this section and not destroyed pursuant to subsection (2) shall be sealed and remain confidential.”

SECTION 2. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect on July 1, 2018.

(Approved July 5, 2018.)

ACT 115

S.B. NO. 2346

A Bill for an Act Relating to Address Confidentiality.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The Hawaii Revised Statutes is amended by adding a new chapter to be appropriately designated and to read as follows:

**“CHAPTER
ADDRESS CONFIDENTIALITY PROGRAM**

§ -1 **Definitions.** As used in this chapter:

“Actual address” means a residential, work, or school address as specified on an applicant’s application and includes the applicant’s county of residence and voting precinct.

“Address confidentiality program” or “program” means the program established by section -2.

“Agency” means an agency or instrumentality of the State or any of its political subdivisions.

“Applicant” includes a primary applicant and a secondary applicant.

“Application assistant” means a current employee or volunteer serving a victim services organization who is certified by the program pursuant to this chapter to assist individuals with applications to participate in the program; provided that an application assistant shall not be an employee of the program.

“Department” means the department of the attorney general.

“Domestic abuse” shall have the same meaning as in section 586-1.

“Primary applicant” means an individual who is applying to participate in the address confidentiality program as a victim of domestic abuse, a sexual offense, or stalking; provided that a parent or guardian applying on behalf of a minor or an incapacitated person shall not be considered a primary applicant; provided further that a parent or guardian may apply as a secondary applicant under section -4.

“Program director” means the director of the address confidentiality program.

“Program participant” or “participant” means an individual accepted into the address confidentiality program, and includes a primary participant and a secondary participant.

“Public record” means all documents, papers, letters, maps, books, photographs, films, sound recordings, magnetic or other tapes, digital data, artifacts, or other documentary material, regardless of physical form or characteristics, made or received pursuant to law or ordinance in connection with the transaction of public business by a state or local government agency.

“Sexual offense” means an act described in section 707-730, 707-731, 707-732, 707-733, 707-733.6, 707-734, 707-741, 707-750, 707-752, 707-756, 707-757, or 707-759.

“Stalking” means any act described in sections 711-1106.4 and 711-1106.5.

“Substitute address” means an address that is used instead of an actual address and assigned to a participant under the address confidentiality program.

“Victim services organization” means a nonprofit, nongovernmental organization that provides assistance to, or advocates for, victims of domestic abuse or sexual violence, including rape crisis centers; an organization operating a shelter or providing professional counseling services; or an organization that provides assistance with the legal process including but not limited to the victim-witness assistance program and victim-witness assistance units established in section 28-111.

§ -2 Address confidentiality program; established. (a) There is established the address confidentiality program in the department of the attorney general to protect the confidentiality of the actual address of a victim of domestic abuse, a sexual offense, or stalking and to prevent the victim’s assailants or potential assailants from finding the victim through public records. The program shall:

- (1) Assign a substitute address to the program participant that shall be used by agencies;
- (2) Receive first-class, certified, or registered mail sent to a program participant at the substitute address and forward the mail to the program participant at no cost to the program participant; provided that the program shall not be required to track or maintain records of mail or to forward packages, bulk mail, or pre-sorted mail; provided further that the program shall maintain a log of certified or registered mail or service of legal process received on behalf of a program participant; and
- (3) Act as the agent of the program participant for purposes of service of all legal process in the State.

(b) The program shall consist of a program director and other personnel necessary for the efficient functioning of the program. The program director and personnel shall be appointed without regard to chapter 76, but shall be subject to chapter 89.

(c) The program director shall designate application assistants to assist applicants with the application process and assist in the certification of the applicant; provided that any assistance provided shall not be construed as legal advice.

§ -3 Filing and certification of applications; authorization card. (a) A primary applicant may apply to participate in the address confidentiality program and shall be assisted by an application assistant; provided that:

- (1) A parent or guardian may act on behalf of a minor who resides with the parent or guardian; and

- (2) A guardian shall act on behalf of an incapacitated individual.
- (b) The application shall be as prescribed by the program director and shall contain the following:
 - (1) The primary applicant's name;
 - (2) A statement by the primary applicant that the primary applicant is a victim of domestic abuse, a sexual offense, or stalking and that the primary applicant fears for the primary applicant's safety;
 - (3) Evidence that the primary applicant is a victim of domestic abuse, a sexual offense, or stalking, including any of the following:
 - (A) Records or files of a court or government agency including but not limited to police reports, valid restraining orders, injunctions against harassment, and documents from criminal cases;
 - (B) Documentation from a domestic abuse program, agency, or facility including but not limited to a women's shelter or safe house;
 - (C) Documentation from a sexual assault program; or
 - (D) Documentation from a medical professional, mental health provider, or other class of professionals designated by the program director from whom the primary applicant has sought assistance in dealing with the alleged domestic abuse, sexual offense, or stalking;
 - (4) A statement by the primary applicant that disclosure of the primary applicant's actual address will endanger the primary applicant's safety;
 - (5) A statement by the primary applicant that the primary applicant has confidentially relocated to an address in the State or will relocate to an address in the State within thirty days of the date of application and will not disclose the location to assailants or known potential assailants;
 - (6) The primary applicant's written consent that the program shall serve as the agent for the primary applicant for purposes of service of process and receiving mail;
 - (7) The mailing address and telephone number where the primary applicant may be contacted by the program;
 - (8) The actual address of the primary applicant;
 - (9) A statement as to whether there is any existing court order or court action involving the primary applicant or an individual identified in paragraph (10) related to dissolution of marriage proceedings, child support, or the allocation of parental responsibilities or parenting time, including the court that issued the order or has jurisdiction over the action;
 - (10) The name of any person who resides with the primary applicant who may apply as a secondary applicant pursuant to section -4 to ensure the safety of the primary applicant;
 - (11) The primary applicant's sworn statement that the information contained in the application is true;
 - (12) The application assistant's statement that the application assistant has met with and discussed the application with the primary applicant and that the application assistant recommends that the primary applicant be assigned a substitute address; and
 - (13) The date and signature of the primary applicant, the application assistant, and, if applicable, the primary applicant's parent or guardian.

(c) Upon the determination that an application has been properly completed, the program director may certify the primary applicant as a program participant and issue the program participant an address confidentiality program authorization card that shall include the participant's substitute address and remain valid for a period of time set forth by the program director; provided that the certification may be canceled pursuant to section -6.

(d) A certification may be renewed by filing a renewal application with the program no more than thirty days, but at least five days, prior to the expiration of the existing certification.

§ -4 Filing and certification of secondary applicants; authorization card. (a) The parent, spouse, domestic partner, child, or legal dependent of a program participant who resides at the same actual address as the program participant and whose participation in the program is necessary for the safety of the program participant may apply to the program as a secondary applicant and shall be assisted by an application assistant; provided that:

- (1) A parent or guardian may act on behalf of a minor who resides with the parent or guardian; and
- (2) A guardian shall act on behalf of an incapacitated individual.

(b) The application shall be as prescribed by the program director and shall contain the following:

- (1) The name of the secondary applicant;
- (2) The actual address of the secondary applicant;
- (3) The name of the program participant;
- (4) The actual address of the program participant;
- (5) A statement by the secondary applicant that disclosure of the secondary applicant's actual address will endanger the program participant's safety;
- (6) A statement by the program participant that the secondary applicant's participation is necessary for the program participant's safety;
- (7) A statement by the secondary applicant that the secondary applicant has confidentially relocated with the program participant or will confidentially relocate with the program participant within thirty days of the date of the application and will not disclose the location to assailants or known potential assailants of the program participant;
- (8) The secondary applicant's written consent that the program shall serve as the secondary applicant's agent for purposes of service of legal process and receiving mail;
- (9) The mailing address and telephone number where the secondary applicant may be contacted by the program;
- (10) The secondary applicant's sworn statement that the information contained in the application is true;
- (11) The program participant's sworn statement that the information contained in the secondary applicant's application is true;
- (12) An application assistant's statement that the application assistant has met with and discussed the application with the secondary applicant and the program participant and that the application assistant recommends that the secondary applicant be assigned a substitute address; and
- (13) The date and signature of the secondary applicant, program participant, application assistant, and, if applicable, the secondary applicant's parent or guardian.

(c) Upon a determination that an application has been properly completed, the program director may certify the secondary applicant as a secondary program participant and issue the secondary program participant an address confidentiality program authorization card that shall include the program participant's substitute address and remain valid for the same period of time as the program participant's certification; provided that the certification may be canceled pursuant to section -6 or if the program participant's certification is canceled for any reason.

(d) The secondary program participant shall submit an application to renew certification at the same time as the program participant.

(e) This chapter shall apply to the secondary program participant as if the secondary program participant was a program participant.

§ -5 Change of name, address, or telephone number. (a) Within thirty days of a legal name change, a program participant shall provide the program with a certified copy of a judgment, order, or any other documentation the program director deems to be sufficient evidence of the name change.

(b) Within ten days of a change in actual address or telephone number, a program participant shall notify the program of the change.

§ -6 Certification cancellation. (a) A program participant's certification shall be canceled if:

- (1) The program participant submits a written request for withdrawal of the certification;
- (2) The program participant fails to notify the program of a change in the program participant's legal name, mailing address, actual address, or telephone number;
- (3) The program participant knowingly submitted false information on the program application;
- (4) Mail forwarded by the program to the program participant is returned as undeliverable;
- (5) A renewal application pursuant to section -3(d) is not received or approved by the program; or
- (6) The program participant's mailing or actual address is not located in the State.

(b) The program director shall send to the program participant a notice of cancellation that includes the reasons for cancellation.

(c) An individual who ceases to be a program participant shall be responsible for notifying persons who use the substitute address that the substitute address is no longer valid.

(d) In accordance with program policies, any mail returned as undeliverable or any mail that continues to be received by the program following a certification cancellation may be returned to the sender or destroyed sixty days after the certification cancellation date.

§ -7 Appeal. Within thirty days of the date of the notice of denial of an application or of certification cancellation, an applicant or program participant may submit a written appeal to the department; provided that the appeal shall not be treated as a contested case as defined in chapter 91, and the appeal process shall not include a hearing and the department's final determination shall not be subject to judicial review.

§ -8 Service of process. (a) The service of process upon an agent of the program shall constitute service upon the program participant.

(b) Upon the receipt of service, the program shall forward the served document to the program participant within three calendar days of receipt; provided that if there is a legal requirement to act within a prescribed period of ten days or less after the service of process, notice, or demand, five days shall be added to the prescribed period; provided further that the program is not required to mail the served document by certified or registered mail.

(c) The program shall maintain records of any served documents.

§ -9 Address use by state agencies; waiver request. (a) The program participant shall be responsible for requesting that an agency use the participant's substitute address for all purposes for which the agency requires or requests a residential, work, or school address.

(b) When a program participant submits a current and valid address confidentiality program authorization card to an agency, the agency shall accept the substitute address on the card as the program participant's actual address to be used when creating a new public record; provided that:

- (1) The agency shall adopt procedures to prevent any disclosure of the program participant's mailing address, actual address, and telephone numbers that may be on file with the agency;
- (2) Election officials shall use a program participant's actual address for purposes of determining residency pursuant to section 11-13; provided that the substitute address shall be used for all other purposes and the program participant's name, mailing address, actual address, or telephone number shall not be published in any list or register;
- (3) The department of education shall use a program participant's actual address for school admission or assignment and the substitute address for student records;
- (4) For tax purposes, the substitute address shall be used solely as a mailing address or for purposes of public records and the department of taxation may require the program participant to provide an actual address if the address is necessary for the assessment of any taxes; provided that the substitute address shall be used as a mailing address and the actual address shall remain confidential;
- (5) Law enforcement may require the program participant to provide an actual address for a legitimate law enforcement purpose; provided that the actual address shall remain confidential and used solely for the legitimate law enforcement purpose; and
- (6) The department of human services may require the program participant to provide an actual address if the actual address is necessary for the department of human services to perform its functions; provided that the substitute address shall be used as a mailing address and the actual address shall remain confidential.

(c) An agency may submit a request for a waiver from the program by submitting a waiver request to the program director who shall notify the agency of the waiver acceptance or denial and provide the agency with the reasons for acceptance or denial of the request. The waiver request shall be in writing, be in a form designated by the program director, and include:

- (1) A statement of how participation in the program restricts the agency's ability to satisfy the agency's obligations;
- (2) A statement that upon acceptance of the waiver, the agency shall only use the participant's actual address for the purposes stated in the waiver request; and

- (3) A copy of the agency's policies and procedures regarding the use and confidentiality of an actual address.

§ -10 Disclosure of actual address prohibited; penalty. (a) Disclosure by the program of a program participant's actual address shall be prohibited unless required by order of a court. There shall be a presumption that the disclosure of any record of the program constitutes an unwarranted invasion of privacy and any applicant or program participant has a significant privacy interest in any information provided to the program.

(b) No court shall order the disclosure of a program participant's actual address unless the court finds by clear and convincing evidence that:

- (1) The disclosure of the actual address is necessary for a legitimate purpose;
- (2) The use of the substitute address would unduly frustrate the legitimate purpose; and
- (3) Taking into consideration the safety of the program participant, there is no reasonable alternative to disclosure of the actual address.

The court shall enter into the record written findings and any conditions on the disclosure of the actual address that are necessary to reasonably protect the safety and privacy of the program participant.

(c) Any court order requiring the disclosure of a program participant's actual address shall be stayed for ten days after written legal notice of the order is personally served upon the program participant; provided that if the participant cannot be physically located, service of the notice by certified mail to an agent of the program, in accordance with section -8(a), shall satisfy the requirements of this subsection; provided further that if service of the notice is performed in accordance with section -8(a), the additional time period of five days provided in section -8(b) shall be added to the prescribed ten day time period provided in this subsection.

(d) No employee, volunteer, or any person with access to the records of the program or the records of any agency that has received a request from the program participant to use a substitute address shall knowingly disclose any address or telephone number of a program participant other than the substitute address.

(e) Any person who violates subsection (d) shall be guilty of a misdemeanor.

§ -11 Prohibitions; penalty. (a) No applicant or program participant shall falsely attest that disclosure of the applicant's or program participant's actual address will endanger the applicant's or program participant's safety or knowingly provide false information on an initial application or an application for renewal.

(b) An applicant or program participant who violates this section shall be fined not more than \$500.

§ -12 Indemnification. Nothing in this chapter shall be construed to create a cause of action against the State, the counties, or any of their employees, agencies, officials, or volunteers except as set forth in section -10.

§ -13 Rulemaking authority. The attorney general shall adopt rules pursuant to chapter 91 as necessary to carry out the purposes of this chapter."

SECTION 2. This Act shall take effect on July 1, 2018.

(Approved July 5, 2018.)

ACT 116

H.B. NO. 2729

A Bill for an Act Relating to Cannabis for Medical Use.

Be It Enacted by the Legislature of the State of Hawaii:

PART I

SECTION 1. The legislature also finds that certain amendments to the State's existing laws on cannabis for medical use and medical cannabis dispensaries are necessary to ensure the fair administration of the State's interjurisdictional reciprocity program, maintain appropriate safeguards and protections for qualifying patients and primary caregivers, ease unnecessary administrative burdens on qualifying patients with chronic conditions, and provide medical cannabis dispensaries with a mechanism to retest batches of cannabis or manufactured cannabis products when appropriate.

The legislature finds that any reciprocity process for out-of-state medical cannabis patients must meet specific criteria that uphold the integrity and rigor of the State's medical cannabis program. A reciprocity program in Hawaii must not significantly diminish the safety and security aspects of Hawaii's approach to medical cannabis; must be implemented in a way that is fair and equitable to Hawaii medical cannabis patients and does not confer greater access to out-of-state medical cannabis patients than to Hawaii patients; must provide a timely process for qualifying out-of-state patients who visit Hawaii to legally obtain medical cannabis from Hawaii-licensed medical cannabis dispensaries; and must provide protection from state law enforcement for registered qualifying out-of-state patients who possess medical cannabis in Hawaii.

The legislature further finds that under existing law, a qualifying patient's written certification for the medical use of cannabis is valid for only one year from the time of signing. However, many of the debilitating medical conditions that qualify a patient for a written certification are chronic in nature, and there is some concern that annual renewal requirements may result in a lapse in treatment for some qualifying patients.

Accordingly, the purpose of this part is to:

- (1) Establish a criteria and requirements for a reciprocity process for medical cannabis patients, which requires the department of health to register qualifying out-of-state patients and caregivers of qualifying out-of-state patients;
- (2) Clarify law enforcement safeguards for qualifying out-of-state patients and caregivers of qualifying out-of-state patients who possess medical cannabis within the State;
- (3) Authorize the department of health to extend the maximum period of validity of a written certification to three years for qualifying patients with debilitating medical conditions that are chronic; and
- (4) Clarify a dispensary licensee's ability to retest, at its own expense, a batch of cannabis or manufactured cannabis products that do not meet the department of health's standards for patient safety according to initial test results.

SECTION 2. Chapter 329, Hawaii Revised Statutes, is amended by adding a new section to part IX to be appropriately designated and to read as follows:

“§329- Registration requirements; qualifying out-of-state patient; caregiver of a qualifying out-of-state patient. (a) Notwithstanding section 329-123, a

qualifying out-of-state patient and a caregiver of a qualifying out-of-state patient shall register with the department of health as established by rule. The registration shall be effective for no more than sixty days and may be renewed for no more than one additional sixty-day period that begins no later than twelve months after the preceding registration date; provided that the department shall not register any qualifying out-of-state patient for a period that exceeds the term of validity of the qualifying out-of-state patient's authority to use medical cannabis in the qualifying out-of-state patient's home jurisdiction.

(b) A qualifying out-of-state patient aged eighteen or older, at a minimum, shall meet the following criteria for registration:

- (1) Provide a valid government-issued medical cannabis card issued to the qualifying out-of-state patient by another state, United States territory, or the District of Columbia; provided that the medical cannabis card has an expiration date and has not expired;
- (2) Provide a valid photographic identification card or driver's license issued by the same jurisdiction that issued the medical cannabis card; and
- (3) Have a debilitating medical condition, as defined in section 329-121.

(c) A qualifying out-of-state patient under eighteen years of age may be registered pursuant to this section only if the qualifying patient has a debilitating medical condition as defined in section 329-121 and the caregiver of the qualifying out-of-state patient, at a minimum, meets the requirements of paragraphs (1) and (2) of subsection (b) and consents in writing to:

- (1) Allow the qualifying out-of-state patient's medical use of cannabis;
- (2) Undertake the responsibility for managing the well-being of the qualifying out-of-state patient who is under eighteen years of age, with respect to the medical use of cannabis; and
- (3) Control the acquisition of the cannabis, the dosage, and the frequency of the medical use of cannabis by the qualifying out-of-state patient who is under eighteen years of age.

(d) In the case of any qualifying out-of-state patient who is under eighteen years of age, the department of health shall register the qualifying out-of-state patient and the caregiver of the qualifying out-of-state patient; provided that the department may register two caregivers for a qualifying out-of-state patient if each caregiver is the parent, guardian, or person having legal custody of the qualifying out-of-state patient who is under eighteen years of age.

(e) Each qualifying out-of-state patient shall pay a fee of \$45 for each registration and renewal.

(f) Upon inquiry by a law enforcement agency, the department of health shall immediately verify whether the subject of the inquiry has registered with the department of health and may provide reasonable access to the registry information for official law enforcement purposes. An inquiry and verification under this subsection may be made twenty-four hours a day, seven days a week.

(g) The department of health may temporarily suspend the registration of a qualifying out-of-state patient or a registered caregiver of a qualifying out-of-state patient for a period of up to thirty days if the department of health determines that the registration process for qualifying patients or primary caregivers is being adversely affected or the supply of cannabis for medical use available in licensed dispensaries is insufficient to serve qualifying patients and qualifying out-of-state patients. A temporary suspension may be extended by thirty-day periods until the department of health determines that:

- (1) Adequate capacity exists to register qualifying out-of-state patients and caregivers of qualifying out-of-state patients in addition to qualifying patients and primary caregivers; and

- (2) The licensed dispensaries are able to meet the demands of qualifying patients.”

SECTION 3. Section 321-30.1, Hawaii Revised Statutes, is amended by amending subsection (c) to read as follows:

“(c) The department, upon completion of the transfer of the medical use of cannabis program, shall charge a medical cannabis registration fee to each qualifying [patients] patient, other than a qualifying out-of-state patient, of no more than \$35[-] per year.”

SECTION 4. Section 329-121, Hawaii Revised Statutes, is amended as follows:

1. By adding three new definitions to be appropriately inserted and to read:

““Adequate supply for a qualifying out-of-state patient” means an amount of cannabis individually possessed by a qualifying out-of-state patient or jointly possessed by a qualifying out-of-state patient who is under eighteen years old and the caregiver of the qualifying out-of-state patient that is not more than is reasonably necessary to ensure the uninterrupted availability of cannabis for the purpose of alleviating the symptoms or effects of the qualifying out-of-state patient’s debilitating medical condition; provided that an “adequate supply for a qualifying out-of-state patient” shall not exceed four ounces of usable cannabis at any given time and shall not include live plants. The four ounces of usable cannabis shall include any combination of usable cannabis and manufactured cannabis products, as provided in chapter 329D; provided that the usable cannabis in the manufactured products shall be calculated using information provided pursuant to section 329D-9(c).

“Caregiver of a qualifying out-of-state patient” means a parent, guardian, or person having legal custody of a qualifying out-of-state patient who is under the age of eighteen years.

“Qualifying out-of-state patient” or “registered qualifying out-of-state patient” means a person who is registered for the medical use of cannabis in another state, a United States territory, or the District of Columbia.”

2. By amending the definition of “medical use” to read:

““Medical use” means the acquisition, possession, cultivation, use, distribution, or transportation of cannabis or paraphernalia relating to the administration of cannabis to alleviate the symptoms or effects of a qualifying patient’s debilitating medical condition[-]; provided that “medical use” does not include the cultivation or distribution of cannabis or paraphernalia by a qualifying out-of-state patient or the caregiver of a qualifying out-of-state patient. For the purposes of “medical use”, the term [distribution] “distribution” is limited to the transfer of cannabis and paraphernalia.”

3. By amending the definition of “written certification” to read:

““Written certification” means the qualifying patient’s medical records or a statement signed by a qualifying patient’s physician or advanced practice registered nurse, stating that in the physician’s or advanced practice registered nurse’s professional opinion, the qualifying patient has a debilitating medical condition and the potential benefits of the medical use of cannabis would likely outweigh the health risks for the qualifying patient. The department of health may require, through its rulemaking authority, that all written certifications comply with a designated form. “Written certifications” are valid for [only] one year from the time of signing[-]; provided that the department of health may allow for the validity of any written certification for up to three years if the qualifying

patient's physician or advanced practice registered nurse states that the patient's debilitating medical condition is chronic in nature."

SECTION 5. Section 329-122, Hawaii Revised Statutes, is amended to read as follows:

"§329-122 Medical use of cannabis; conditions of use. (a) Notwithstanding any law to the contrary, the medical use of cannabis by a qualifying patient shall be permitted only if:

- (1) The qualifying patient has been diagnosed by a physician or advanced practice registered nurse as having a debilitating medical condition;
- (2) The qualifying patient's physician or advanced practice registered nurse has certified in writing that, in the physician's or advanced practice registered nurse's professional opinion, the potential benefits of the medical use of cannabis would likely outweigh the health risks for the particular qualifying patient; and
- (3) The amount of cannabis possessed by the qualifying patient does not exceed an adequate supply.

(b) Subsection (a) shall not apply to a qualifying patient under the age of eighteen years, unless:

- (1) The qualifying patient's physician or advanced practice registered nurse has explained the potential risks and benefits of the medical use of cannabis to the qualifying patient and to a parent, guardian, or person having legal custody of the qualifying patient; and
- (2) A parent, guardian, or person having legal custody consents in writing to:
 - (A) Allow the qualifying patient's medical use of cannabis;
 - (B) Serve as the qualifying patient's primary caregiver; and
 - (C) Control the acquisition of the cannabis, the dosage, and the frequency of the medical use of cannabis by the qualifying patient.

(c) Notwithstanding any law to the contrary, the medical use of cannabis within the State by a qualifying out-of-state patient aged eighteen years or older legally authorized to use cannabis for medical purposes in another state, a United States territory, or the District of Columbia shall be permitted only if the qualifying out-of-state patient:

- (1) Provides to the department of health a valid medical use of cannabis card with an explicit expiration date that has not yet passed from the issuing jurisdiction and a valid photographic identification card or driver's license issued by the same jurisdiction;
- (2) Attests under penalty of law pursuant to section 710-1063 that the condition for which the qualifying out-of-state patient is legally authorized to use cannabis for medical purposes is a debilitating medical condition as defined in section 329-121;
- (3) Provides consent for the department of health to obtain information from the qualifying out-of-state patient's certifying medical provider and from the entity that issued the medical cannabis card for the purpose of allowing the department of health to verify the information provided in the registration process;
- (4) Pays the required fee for out-of-state registration to use cannabis for medical purposes;
- (5) Registers with the department of health pursuant to section 329- to use cannabis for medical purposes;

- (6) Receives a medical cannabis registry card from the department of health; and
- (7) Abides by all laws relating to the medical use of cannabis, including not possessing an amount of cannabis that exceeds an adequate supply.
- (d) Notwithstanding any law to the contrary, the medical use of cannabis by a qualifying out-of-state patient under eighteen years of age shall only be permitted if:
- (1) The caregiver of the qualifying out-of-state patient provides the information required pursuant to subsection (c); and
 - (2) The caregiver of the qualifying out-of-state patient consents in writing to:
 - (A) Allow the qualifying out-of-state patient's medical use of cannabis;
 - (B) Undertake the responsibility for managing the well-being of the qualifying out-of-state patient who is under eighteen years of age with respect to the medical use of cannabis; and
 - (C) Control the acquisition of the cannabis, the dosage, and the frequency of the medical use of cannabis by the qualifying out-of-state patient who is under eighteen years of age.
- [(e)] (e) The authorization for the medical use of cannabis in this section shall not apply to:
- (1) The medical use of cannabis that endangers the health or well-being of another person;
 - (2) The medical use of cannabis:
 - (A) In a school bus, public bus, or any moving vehicle;
 - (B) In the workplace of one's employment;
 - (C) On any school grounds;
 - (D) At any public park, public beach, public recreation center, recreation or youth center; or
 - (E) At any other place open to the public; provided that a qualifying patient, primary caregiver, qualifying out-of-state patient, caregiver of a qualifying out-of-state patient, or an owner or employee of a medical cannabis dispensary licensed under chapter 329D shall not be prohibited from transporting cannabis or any manufactured cannabis product, as that term is defined in section 329D-1, in any public place; provided further that the cannabis or manufactured cannabis product shall be transported in a sealed container, not be visible to the public, and shall not be removed from its sealed container or consumed or used in any way while it is in the public place; and
 - (3) The use of cannabis by a qualifying patient, parent, ~~or~~, primary caregiver, qualifying out-of-state patient, or caregiver of a qualifying out-of-state patient, for purposes other than medical use permitted by this part.
- [(e)] (f) For the purposes of this section, "transport" means the transportation of cannabis, usable cannabis, or any manufactured cannabis product between:
- (1) A qualifying patient and the qualifying patient's primary caregiver;
 - (2) A qualifying out-of-state patient under eighteen years of age and the caregiver of a qualifying out-of-state patient;
- [(2)] (3) The production centers and the retail dispensing locations under a dispensary licensee's license; or

- (4) A production center, retail dispensing location, qualifying patient, [øf] primary caregiver, qualifying out-of-state patient, or caregiver of a qualifying out-of-state patient and a certified laboratory for the purpose of laboratory testing; provided that a qualifying patient [øf], primary caregiver, qualifying out-of-state patient, or caregiver of a qualifying out-of-state patient may only transport up to one gram of cannabis per test to a certified laboratory for laboratory testing and may only transport the product if the qualifying patient [øf], primary caregiver[-], qualifying out-of-state patient, or caregiver of a qualifying out-of-state patient:
- (A) Secures an appointment for testing at a certified laboratory;
 - (B) Obtains confirmation, which may be electronic, that includes the specific time and date of the appointment and a detailed description of the product and amount to be transported to the certified laboratory for the appointment; and
 - (C) Has the confirmation, which may be electronic, available during transport.

For purposes of interisland transportation, “transport” of cannabis, usable cannabis, or any manufactured cannabis product, by any means is allowable only between a production center or retail dispensing location and a certified laboratory for the sole purpose of laboratory testing pursuant to section 329D-8, as permitted under section 329D-6(m) and subject to section 329D-6(j), and with the understanding that state law and its protections do not apply outside of the jurisdictional limits of the State. Allowable transport pursuant to this section does not include interisland transportation by any means or for any purpose between a qualified patient [øf], primary caregiver, qualifying out-of-state patient, or caregiver of a qualifying out-of-state patient and any other entity or individual, including an individual who is a qualified patient [øf], primary caregiver[-], qualifying out-of-state patient, or caregiver of a qualifying out-of-state patient.”

SECTION 6. Section 329-123, Hawaii Revised Statutes, is amended to read as follows:

“§329-123 Registration requirements[-]; qualifying patients; primary caregivers. (a) Physicians or advanced practice registered nurses who issue written certifications shall provide, in each written certification, the name, address, patient identification number, and other identifying information of the qualifying patient. The department of health shall require, in rules adopted pursuant to chapter 91, that all written certifications comply with a designated form completed by or on behalf of a qualifying patient. The form shall require information from the applicant, primary caregiver, and physician or advanced practice registered nurse as specifically required or permitted by this chapter. The form shall require the address of the location where the cannabis is grown and shall appear on the registry card issued by the department of health. The certifying physician or advanced practice registered nurse shall be required to have a bona fide physician-patient relationship or bona fide advanced practice registered nurse-patient relationship, as applicable, with the qualifying patient. All current active medical cannabis permits shall be honored through their expiration date.

(b) Qualifying patients shall register with the department of health. The registration shall be effective until the expiration of the certificate issued by the department of health and signed by the physician or advanced practice registered nurse. Every qualifying patient shall provide sufficient identifying information to establish the personal identities of the qualifying patient and the primary caregiver. Qualifying patients shall report changes in information within ten

working days. Every qualifying patient shall have only one primary caregiver at any given time. The department of health shall issue to the qualifying patient a registration certificate, and shall charge \$35 per year.

(c) Primary caregivers shall register with the department of health. Every primary caregiver shall be responsible for the care of only one qualifying patient at any given time~~[-], unless the primary caregiver is the parent, guardian, or person having legal custody of more than one minor qualifying patient, in which case the primary caregiver may be responsible for the care of more than one minor qualifying patient at any given time; provided that the primary caregiver is the parent, guardian, or person having legal custody of all of the primary caregiver's qualifying patients.~~ The department of health may permit registration of up to two¹ primary caregivers for a minor qualifying patient; provided that both primary caregivers are the parent, guardian, or person having legal custody of the minor qualifying patient.

(d) Upon inquiry by a law enforcement agency, which inquiry may be made twenty-four hours a day, seven days a week, the department of health shall immediately verify whether the subject of the inquiry has registered with the department of health and may provide reasonable access to the registry information for official law enforcement purposes.

(e) This section shall not apply to registration of a qualifying out-of-state patient or a caregiver of a qualifying out-of-state patient."

SECTION 7. Section 329-125, Hawaii Revised Statutes, is amended by amending its title and subsections (a) and (b) to read as follows:

"§329-125 Protections afforded to a qualifying patient ~~[or]~~, primary caregiver~~[-]~~, qualifying out-of-state patient, or caregiver of a qualifying out-of-state patient. (a) A qualifying patient ~~[or the]~~, primary caregiver, qualifying out-of-state patient, or caregiver of a qualifying out-of-state patient may assert the medical use of cannabis authorized under this part as an affirmative defense to any prosecution involving ~~[[cannabis or marijuana]]~~ under this part or part IV; or part IV of chapter 712; provided that the qualifying patient ~~[or the]~~, primary caregiver, qualifying out-of-state patient, or caregiver of a qualifying out-of-state patient strictly complied with the requirements of this part.

(b) Any qualifying patient ~~[or]~~, primary caregiver, qualifying out-of-state patient, or caregiver of a qualifying out-of-state patient not complying with the permitted scope of the medical use of cannabis shall not be afforded the protections against searches and seizures pertaining to the misapplication of the medical use of cannabis."

SECTION 8. Section 329-125.5, Hawaii Revised Statutes, is amended to read as follows:

"~~[[§329-125.5]]~~ Medical cannabis patient and caregiver protections. (a) No school shall refuse to enroll or otherwise penalize, and no landlord shall refuse to lease property to or otherwise penalize, a person solely for the person's status as a qualifying patient or primary caregiver in the medical cannabis program under this part, unless failing to do so would cause the school or landlord to lose a monetary or licensing-related benefit under federal law or regulation; provided that the qualifying patient or primary caregiver strictly complied with the requirements of this part; provided further that the qualifying patient or primary caregiver shall present a medical cannabis registry card or certificate and photo identification, to ensure that the qualifying patient or primary caregiver is validly registered with the department of health pursuant to section 329-123.

(b) For the purposes of medical care, including organ transplants, a registered qualifying patient's use of cannabis in compliance with this part shall be considered the equivalent of the use of any other medication under the direction of a physician and shall not constitute the use of an illicit substance or otherwise disqualify a registered qualifying patient from medical care.

(c) No qualifying patient or primary caregiver under this part shall be denied custody of, visitation with, or parenting time with a minor, and there shall be no presumption of neglect or child endangerment, for conduct allowed under this part; provided that this subsection shall not apply if the qualifying patient's or primary caregiver's conduct created a danger to the safety of the minor, as established by a preponderance of the evidence.

(d) This section shall apply to qualifying patients, primary caregivers, qualifying out-of-state patients, and caregivers of qualifying out-of-state patients who are validly registered with the department of health pursuant to this part and the administrative rules of the department of health."

SECTION 9. Section 329-127, Hawaii Revised Statutes, is amended to read as follows:

~~“~~**§329-127**~~”~~ **Protection of cannabis and other seized property.** (a) Cannabis, paraphernalia, or other property seized from a qualifying patient or primary caregiver in connection with a claimed medical use of cannabis under this part shall be returned immediately upon the determination by a court that the qualifying patient or primary caregiver is entitled to the protections of this part, as evidenced by a decision not to prosecute, dismissal of charges, or an acquittal; provided that law enforcement agencies seizing live plants as evidence shall not be responsible for the care and maintenance of such plants.

(b) This section shall also apply to qualifying out-of-state patients and caregivers of qualifying out-of-state patients who are validly registered with the department of health pursuant to this part and the administrative rules of the department of health; provided that notwithstanding subsection (a) to the contrary, under no circumstances shall cannabis, paraphernalia, or other property be returned to any location outside of the island from which it was seized."

SECTION 10. Section 329-128, Hawaii Revised Statutes, is amended to read as follows:

§329-128 Fraudulent misrepresentation; penalty. (a) Notwithstanding any law to the contrary, fraudulent misrepresentation to a law enforcement official of any fact or circumstance relating to the medical use of cannabis to avoid arrest or prosecution under this part or chapter 712 shall be a petty misdemeanor and subject to a fine of \$500.

(b) Notwithstanding any law to the contrary, fraudulent misrepresentation to a law enforcement official of any fact or circumstance relating to the issuance of a written certificate by a physician or advanced practice registered nurse not covered under section 329-126 for the medical use of cannabis shall be a misdemeanor. This penalty shall be in addition to any other penalties that may apply for the non-medical use of cannabis. ~~[Nothing in this section is intended to preclude the conviction of any person under section 710-1060 or for any other offense under part V of chapter 710.]~~

(c) Notwithstanding any law to the contrary, fraudulent misrepresentation to the department of an entitlement to use cannabis for medical purposes in another state, a United States territory, or the District of Columbia for the purpose of registering as a qualifying out-of-state patient or caregiver of a qualify-

ing out-of-state patient shall be a misdemeanor. This penalty shall be in addition to any other penalties that may apply for the non-medical use of cannabis.

(d) Nothing in this section is intended to preclude the conviction of any person under section 710-1060 or for any other offense under part V of chapter 710 or any other offense.”

SECTION 11. Section 329-129, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

“(a) No qualifying patient [øø], primary caregiver, qualifying out-of-state patient, or caregiver of a qualifying out-of-state patient shall use butane to extract tetrahydrocannabinol from cannabis plants.”

SECTION 12. Section 329-130, Hawaii Revised Statutes, is amended to read as follows:

“§329-130 Authorized sources of medical cannabis. (a) After December 31, 2023, a qualifying patient shall obtain medical cannabis or manufactured cannabis products only:

- (1) From a dispensary licensed pursuant to chapter 329D; provided that the cannabis shall be purchased and paid for at the time of purchase; or
- (2) By cultivating cannabis in an amount that does not exceed an adequate supply for the qualifying patient, pursuant to section 329-122; provided that each location used to cultivate cannabis shall be used by no more than five qualifying patients.

After December 31, 2023, no primary caregiver shall be authorized to cultivate cannabis for any qualifying patient.

(b) This section shall not apply to:

- (1) A qualifying patient who is a minor or an adult lacking legal capacity and the primary caregiver is the parent, guardian, or person having legal custody of a qualifying patient described in this paragraph; or
- (2) A qualifying patient on any island on which there is no medical cannabis dispensary licensed pursuant to chapter 329D.

(c) A qualifying out-of-state patient and a caregiver of a qualifying out-of-state patient shall be authorized to obtain cannabis for medical use only from retail dispensing locations of dispensaries licensed pursuant to chapter 329D.”

SECTION 13. Section 329D-1, Hawaii Revised Statutes, is amended as follows:

1. By adding two new definitions to be appropriately inserted and to read:

““Caregiver of a qualifying out-of-state patient” shall have the same meaning as in section 329-121.

“Qualifying out-of-state patient” and “registered qualifying out-of-state patient” shall have the same meaning as in section 329-121.”

2. By amending the definition of “dispense” or “dispensing” to read:

““Dispense” or “dispensing” means the act of a licensed dispensary providing cannabis or manufactured cannabis products to a qualifying patient [øø ø], primary caregiver, qualifying out-of-state patient, or caregiver of a qualifying out-of-state patient for a fee.”

3. By amending the definition of “manufacture” to read:

““Manufacture” means the preparation, propagation, compounding, conversion, or processing of a substance containing cannabis or its principal

psychoactive constituent tetrahydrocannabinol, either directly or indirectly, by a person other than a qualifying patient ~~[or]~~, primary caregiver, qualifying out-of-state patient, or caregiver of a qualifying out-of-state patient for the qualifying patient's or qualifying out of state patient's use, by extraction from substances of natural origin, or independently by means of chemical synthesis, or by a combination of extraction and chemical synthesis, and includes any packaging or repackaging of the substance or labeling or relabeling of its container.”

4. By amending the definition of “retail dispensing location” to read:

““Retail dispensing location” means an establishment owned, operated, or subcontracted by a medical cannabis dispensary where cannabis and manufactured cannabis are made available for retail sale to a qualifying [patients or] patient, primary [earegivers.] caregiver, qualifying out-of-state patient, or caregiver of a qualifying out-of-state patient.”

SECTION 14. Section 329D-6, Hawaii Revised Statutes, is amended as follows:

1. By amending subsection (g) to read:

“(g) In all dispensary facilities, only the licensee, if an individual, registered employees of the dispensary licensee, registered employees of a subcontracted production center or retail dispensing location, employees of a certified laboratory for testing purposes, state employees authorized by the director of health, and law enforcement and other government officials acting in their official capacity shall be permitted to touch or handle any cannabis or manufactured cannabis products, except that a qualifying patient ~~[or the]~~, primary caregiver ~~[of a qualifying patient]~~, qualifying out-of-state patient, or caregiver of a qualifying out-of-state patient may receive manufactured cannabis products at a retail dispensing location following completion of a sale.”

2. By amending subsections (j) and (k) to read:

“(j) The department shall establish, maintain, and control a computer software tracking system that shall have real time, twenty-four-hour access to the data of all dispensaries.

(1) The computer software tracking system shall collect data relating to:

- (A) The total amount of cannabis in possession of all dispensaries from either seed or immature plant state, including all plants that are derived from cuttings or cloning, until the cannabis, cannabis plants, or manufactured cannabis product is sold or destroyed pursuant to section 329D-7;
- (B) The total amount of manufactured cannabis product inventory, including the equivalent physical weight of cannabis that is used to manufacture manufactured cannabis products, purchased by a qualifying patient ~~[and]~~, primary caregiver, qualifying out-of-state patient, and caregiver of a qualifying out-of-state patient from all retail dispensing locations in the State in any fifteen-day period;
- (C) The amount of waste produced by each plant at harvest; and
- (D) The transport of cannabis and manufactured cannabis products between production centers and retail dispensing locations, including tracking identification issued by the tracking system, the identity of the person transporting the cannabis or manufactured cannabis products, and the make, model, and license number of the vehicle being used for the transport;

- (2) The procurement of the computer software tracking system established pursuant to this subsection shall be exempt from chapter 103D; provided that:
- (A) The department shall publicly solicit at least three proposals for the computer software tracking system; and
 - (B) The selection of the computer software tracking system shall be approved by the director of the department and the chief information officer; and
- (3) Notwithstanding any other provision of this subsection to the contrary, once the department has authorized a licensed dispensary to commence sales of cannabis or manufactured cannabis products, if the department's computer software tracking system is inoperable or is not functioning properly, as an alternative to requiring dispensaries to temporarily cease operations, the department may implement an alternate tracking system that will enable a qualifying [patients] patient, primary caregiver, qualifying out-of-state patient, and caregiver of a qualifying out-of-state patient to purchase cannabis or manufactured cannabis products from a licensed dispensary on a temporary basis. The department shall seek input regarding the alternate tracking system from medical cannabis licensees. The alternate tracking system may operate as follows:
- (A) The department may immediately notify all licensed dispensaries that the computer software tracking system is inoperable; and
 - (B) Once the computer software tracking system is operational and functioning to meet the requirements of this subsection, the department may notify all licensed dispensaries, and the alternate tracking system in this subsection shall be discontinued.
- (k) A dispensary licensed pursuant to this chapter shall purchase, operate, and maintain a computer software tracking system that shall:
- (1) Interface with the department's computer software tracking system established pursuant to subsection (j);
 - (2) Allow each licensed dispensary's production center to submit to the department in real time, by automatic identification and data capture, all cannabis, cannabis plants, and manufactured cannabis product inventory in possession of that dispensary from either seed or immature plant state, including all plants that are derived from cuttings or cloning, until the cannabis or manufactured cannabis product is sold or destroyed pursuant to section 329D-7;
 - (3) Allow the licensed dispensary's retail dispensing location to submit to the department in real time for the total amount of cannabis and manufactured cannabis product purchased by a qualifying patient [and], primary caregiver, qualifying out-of-state patient, and caregiver of a qualifying out-of-state patient from the dispensary's retail dispensing locations in the State in any fifteen day period; provided that the software tracking system shall impose an automatic stopper in real time, which cannot be overridden, on any further purchases of cannabis or manufactured cannabis products, if the maximum allowable amount of cannabis has already been purchased for the applicable fifteen day period; provided further that additional purchases shall not be permitted until the next applicable period; and
 - (4) Allow the licensed dispensary to submit all data required by this subsection to the department and permit the department to access the data if the department's computer software tracking system is

not functioning properly and sales are made pursuant to the alternate tracking system under subsection (j).”

3. By amending subsection (n) to read:

“(n) A dispensary shall be prohibited from off-premises delivery of cannabis or manufactured cannabis products to a qualifying [patients or to] patient, primary [caregivers of qualifying patients.] caregiver, qualifying out-of-state patient, or caregiver of a qualifying out-of-state patient.”

SECTION 15. Section 329D-7, Hawaii Revised Statutes, is amended to read as follows:

“§329D-7 **Medical cannabis dispensary rules.** The department shall establish standards with respect to:

- (1) The number of medical cannabis dispensaries that shall be permitted to operate in the State;
- (2) A fee structure for the submission of applications and renewals of licenses to dispensaries; provided that the department shall consider the market conditions in each county in determining the license renewal fee amounts;
- (3) Criteria and procedures for the consideration and selection, based on merit, of applications for licensure of dispensaries; provided that the criteria shall include but not be limited to an applicant’s:
 - (A) Ability to operate a business;
 - (B) Financial stability and access to financial resources; provided that applicants for medical cannabis dispensary licenses shall provide documentation that demonstrates control of not less than \$1,000,000 in the form of escrow accounts, letters of credit, surety bonds, bank statements, lines of credit or the equivalent to begin operating the dispensary;
 - (C) Ability to comply with the security requirements developed pursuant to paragraph (6);
 - (D) Capacity to meet the needs of qualifying patients[;] and qualifying out-of-state patients;
 - (E) Ability to comply with criminal background check requirements developed pursuant to paragraph (8); and
 - (F) Ability to comply with inventory controls developed pursuant to paragraph (13);
- (4) Specific requirements regarding annual audits and reports required from each production center and dispensary licensed pursuant to this chapter;
- (5) Procedures for announced and unannounced inspections by the department or its agents of production centers and dispensaries licensed pursuant to this chapter; provided that inspections for license renewals shall be unannounced;
- (6) Security requirements for the operation of production centers and retail dispensing locations; provided that, at a minimum, the following shall be required:
 - (A) For production centers:
 - (i) Video monitoring and recording of the premises; provided that recordings shall be retained for fifty days;
 - (ii) Fencing that surrounds the premises and that is sufficient to reasonably deter intruders and prevent anyone outside the premises from viewing any cannabis in any form;
 - (iii) An alarm system; and

- (iv) Other reasonable security measures to deter or prevent intruders, as deemed necessary by the department;
- (B) For retail dispensing locations:
 - (i) Presentation of a valid government-issued photo identification and a valid identification as issued by the department pursuant to section 329-123[~~;~~] by a qualifying patient or caregiver, or section 329- by a qualifying out-of-state patient or caregiver of a qualifying out-of-state patient, upon entering the premises;
 - (ii) Video monitoring and recording of the premises; provided that recordings shall be retained for fifty days;
 - (iii) An alarm system;
 - (iv) Exterior lighting; and
 - (v) Other reasonable security measures as deemed necessary by the department;
- (7) Security requirements for the transportation of cannabis and manufactured cannabis products between production centers and retail dispensing locations and between a production center, retail dispensing location, qualifying patient, ~~or~~ primary caregiver, qualifying out-of-state patient, or caregiver of a qualifying out-of-state patient and a certified laboratory, pursuant to section ~~[329-122(d);]~~ 329-122(f);
- (8) Standards and criminal background checks to ensure the reputable and responsible character and fitness of all license applicants, licensees, employees, subcontractors and their employees, and prospective employees of medical cannabis dispensaries to operate a dispensary; provided that the standards, at a minimum, shall exclude from licensure or employment any person convicted of any felony;
- (9) The training and certification of operators and employees of production centers and dispensaries;
- (10) The types of manufactured cannabis products that dispensaries shall be authorized to manufacture and sell pursuant to sections 329D-9 and 329D-10;
- (11) Laboratory standards related to testing cannabis and manufactured cannabis products for content, contamination, and consistency;
- (12) The quantities of cannabis and manufactured cannabis products that a dispensary may sell or provide to a qualifying patient ~~or~~, primary caregiver~~;~~, qualifying out-of-state patient, or caregiver of a qualifying out-of-state patient; provided that no dispensary shall sell or provide to a qualifying patient ~~or~~, primary caregiver, qualifying out-of-state patient, or caregiver of a qualifying out-of-state patient any combination of cannabis and manufactured products that:
 - (A) During a period of fifteen consecutive days, exceeds the equivalent of four ounces of cannabis; or
 - (B) During a period of thirty consecutive days, exceeds the equivalent of eight ounces of cannabis;
- (13) Dispensary and production center inventory controls to prevent the unauthorized diversion of cannabis or manufactured cannabis products or the distribution of cannabis or manufactured cannabis products to a qualifying ~~patients or~~ patient, primary ~~caregivers~~ caregiver, qualifying out-of-state patient, or caregiver of a qualifying out-of-state patient in quantities that exceed limits established

by this chapter; provided that the controls, at a minimum, shall include:

- (A) A computer software tracking system as specified in section 329D-6(j) and (k); and
 - (B) Product packaging standards sufficient to allow law enforcement personnel to reasonably determine the contents of an unopened package;
- (14) Limitation to the size or format of signs placed outside a retail dispensing location or production center; provided that the signage limitations, at a minimum, shall comply with section 329D-6(o)(2) and shall not include the image of a cartoon character or other design intended to appeal to children;
 - (15) The disposal or destruction of unwanted or unused cannabis and manufactured cannabis products;
 - (16) The enforcement of the following prohibitions against:
 - (A) The sale or provision of cannabis or manufactured cannabis products to unauthorized persons;
 - (B) The sale or provision of cannabis or manufactured cannabis products to a qualifying ~~[patients or]~~ patient, primary ~~[caregivers]~~ caregiver, qualifying out-of-state patient, or caregiver of a qualifying out-of-state patient in quantities that exceed limits established by this chapter;
 - (C) Any use or consumption of cannabis or manufactured cannabis products on the premises of a retail dispensing location or production center; and
 - (D) The distribution of cannabis or manufactured cannabis products, for free, on the premises of a retail dispensing location or production center;
 - (17) The establishment of a range of penalties for violations of this chapter or rule adopted thereto; and
 - (18) A process to recognize and register patients who are authorized to purchase, possess, and use medical cannabis in another state, a United States territory, or the District of Columbia as qualifying out-of-state patients ~~[in this State]~~; provided that this registration process may commence no sooner than January 1, 2018.”

SECTION 16. Section 329D-8, Hawaii Revised Statutes, is amended to read as follows:

“§329D-8 Laboratory standards and testing; laboratory certification.

- (a) The department shall establish and enforce standards for laboratory-based testing of cannabis and manufactured cannabis products for content, contamination, and consistency; provided that in establishing these standards, the department shall:
 - (1) Review and take guidance from the testing programs and standards utilized in other jurisdictions;
 - (2) Consider the impact of the standards on the retail cost of the product to the qualifying patient;
 - (3) Review and take guidance from the testing programs and standards for pesticides under the regulations of the United States Environmental Protection Agency;
 - (4) For the testing for microbiological impurities, consider the benefits of organically grown cannabis that features the use of bacteria in lieu of pesticides; and

- (5) Include permission for qualifying patients and primary caregivers to obtain testing services directly from certified laboratories on the island where the qualifying patient and primary caregiver reside.
- (b) The department may certify laboratories that can test cannabis and manufactured cannabis products prior to the sale of cannabis and manufactured cannabis products.
- (c) If a dispensary licensee obtains a laboratory result indicating that a sample of a batch of its cannabis or manufactured cannabis products does not meet the department's standards for patient safety, the dispensary licensee, at its own expense, may have the same sample or a different sample from the same batch retested by the same laboratory or a different laboratory. If a retest at a different laboratory yields a different result, the department shall determine which result controls whether the batch may be approved for sale or whether further testing shall be required."

SECTION 17. Section 329D-12, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

"(b) This section shall not apply to:

- (1) ~~[Qualifying patients and their]~~ A qualifying patient, primary [caregivers] caregiver, qualifying out-of-state patient, or caregiver of a qualifying out-of-state patient who [enter] enters or [remain] remains on the premises of a retail dispensing location for the purpose of a transaction conducted pursuant to sections 329D-6 and 329D-13; or
- (2) Government officials and employees acting in an official capacity and employees of a certified laboratory who enter or remain on the premises of a retail dispensing location or production center for any purpose authorized by this chapter."

SECTION 18. Section 329D-13, Hawaii Revised Statutes, is amended to read as follows:

~~"[§329D-13] Qualifying patients and primary caregivers; dispensing limits; other states].~~ (a) A qualifying patient [or a], primary caregiver [on behalf of a qualifying patient], qualifying out-of-state patient, or caregiver of a qualifying out-of-state patient shall be allowed to purchase no more than four ounces of cannabis within a consecutive period of fifteen days, or no more than eight ounces of cannabis within a consecutive period of thirty days.

(b) A qualifying patient [or a], primary caregiver [on behalf of a qualifying patient], qualifying out-of-state patient, or caregiver of a qualifying out-of-state patient may purchase cannabis from any dispensary location in the State, subject to the limits set forth in subsection (a).

(c) Beginning on January 1, 2018, this section may apply to qualifying out-of-state patients from other states, territories of the United States, or the District of Columbia; provided that the patient [is verified as a patient in their home state and registers with the department through a registration process established by the department.] meets the registration requirements of section 329-"

SECTION 19. Section 329D-15, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) No person shall intentionally or knowingly enter or remain upon the premises of a medical cannabis retail dispensing location unless the individual is:

- (1) An individual licensee or registered employee of the dispensary;
- (2) A qualifying patient ~~[or], primary caregiver [of a qualifying patient],~~ qualifying out-of-state patient, or caregiver of a qualifying out-of-state patient;
- (3) A government employee or official acting in the person's official capacity; or
- (4) Previously included on a current department-approved list provided to the department by the licensee of those persons who are allowed into that dispensary's facilities for a specific purpose for that dispensary, including but not limited to construction, maintenance, repairs, legal counsel, providers of paratransit or other assistive services required by a qualifying patient to access a retail dispensary location, or investors; provided that:
 - (A) The person has been individually approved by the department to be included on the list;
 - (B) The person is at least twenty-one years of age, as verified by a valid government issued identification card;
 - (C) The department has confirmed that the person has no felony convictions;
 - (D) The person is escorted by an individual licensee or registered employee of the dispensary at all times while in the dispensary facility;
 - (E) The person is only permitted within those portions of the dispensary facility as necessary to fulfill the person's purpose for entering;
 - (F) The person is only permitted within the dispensary facility during the times and for the duration necessary to fulfill the person's purpose for entering;
 - (G) The dispensary shall keep an accurate record of each person's first and last name, date and times upon entering and exiting the dispensary facility, purpose for entering, and the identity of the escort; and
 - (H) The approved list shall be effective for one year from the date of the department approval."

SECTION 20. Section 329D-17, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) A person commits the offense of promoting medical cannabis or medical cannabis products to a minor if the person intentionally or knowingly distributes any amount of cannabis or manufactured cannabis products that came from a dispensary or production center to a minor who is not a registered qualifying patient~~[-]~~ or a registered qualifying out-of-state patient under eighteen years of age."

SECTION 21. Section 329D-24, Hawaii Revised Statutes, is amended to read as follows:

"[§329D-24] Cultivation of medical cannabis by qualifying patients and primary caregivers. Nothing in this chapter shall be construed as prohibiting a qualifying patient or primary caregiver from cultivating or possessing an adequate supply of medical cannabis pursuant to part IX of chapter 329.

A qualifying out-of-state patient or a caregiver of a qualifying out-of-state patient shall not be authorized to cultivate cannabis."

SECTION 22. Section 329D-25, Hawaii Revised Statutes, is amended to read as follows:

“~~§~~329D-25 **Coordination among state and federal agencies.** The department shall initiate ongoing dialogue among relevant state and federal agencies to identify processes and policies that ensure the privacy of qualifying patients and qualifying out-of-state patients and the compliance of qualifying patients, primary caregivers, qualifying out-of-state patients, and caregivers of qualifying out-of-state patients and medical cannabis dispensaries with state laws and regulations related to medical cannabis.”

PART II

SECTION 23. The legislature finds that Act 241, Session Laws of Hawaii 2015, codified as chapter 329D, Hawaii Revised Statutes, established a license scheme for a statewide system of medical cannabis dispensaries to ensure access to medical cannabis for qualifying patients and was later amended by Act 230, Session Laws of Hawaii 2016, and Acts 41 and 170, Session Laws of Hawaii 2017.

The legislature further finds that additional amendments to the law are necessary to allow for adequate patient access based on discussions of the working group established by Act 230, Session Laws of Hawaii 2016.

The purpose of this part is to allow a bona fide physician-patient or advanced practice registered nurse-patient relationship to be established via telehealth.

SECTION 24. Section 329-126, Hawaii Revised Statutes, is amended to read as follows:

“§329-126 Protections afforded to a treating physician or advanced practice registered nurse. (a) No physician or advanced practice registered nurse shall be subject to arrest or prosecution, penalized in any manner, or denied any right or privilege for providing written certification for the medical use of cannabis for a qualifying patient; provided that:

- (1) The physician or advanced practice registered nurse has diagnosed the patient as having a debilitating medical condition, as defined in section 329-121;
- (2) The physician or advanced practice registered nurse has explained the potential risks and benefits of the medical use of cannabis, as required under section 329-122;
- (3) The written certification is based upon the physician’s or advanced practice registered nurse’s professional opinion after having completed a full assessment of the patient’s medical history and current medical condition made in the course of a bona fide physician-patient relationship or bona fide advanced practice registered nurse-patient relationship, as applicable; and
- (4) The physician or advanced practice registered nurse has complied with the registration requirements of section 329-123.

(b) For purposes of this section, a bona fide physician-patient relationship may be established via telehealth, as defined in section 453-1.3(j), and a bona fide advanced practice registered nurse-patient relationship may be established via telehealth, as defined in section 457-2; provided that treatment recommendations that include certifying a patient for the medical use of cannabis via

telehealth shall be allowed only after an initial in-person consultation between the certifying physician or advanced practice registered nurse and the patient.”

SECTION 25. Section 453-1.3, Hawaii Revised Statutes, is amended by amending subsection (c) to read as follows:

“(c) Treatment recommendations made via telehealth, including issuing a prescription via electronic means, shall be held to the same standards of appropriate practice as those in traditional physician-patient settings that do not include a face-to-face visit but in which prescribing is appropriate, including on-call telephone encounters and encounters for which a follow-up visit is arranged. Issuing a prescription based solely on an online questionnaire is not treatment for the purposes of this section and does not constitute an acceptable standard of care. For the purposes of prescribing opiates or certifying a patient for the medical use of cannabis, a physician-patient relationship shall only be established after an in-person consultation between the prescribing physician and the patient.”

PART III

SECTION 26. The legislature finds that medical cannabis products that provide safe pulmonary administration can allow for more precise dosage administration and can be more effective for certain patients. The legislature also finds that, as with all packaged products, smaller sizes are always more expensive for consumers than larger products. Under existing law, the tetrahydrocannabinol limit per pack or container of certain manufactured cannabis products may impact certain patients, many of whom may have conditions and symptoms that require larger doses of tetrahydrocannabinol for relief.

Accordingly, the purpose of this part is to:

- (1) Add certain devices that provide safe pulmonary administration to the list of medical cannabis products that may be manufactured and distributed; and
- (2) Increase the tetrahydrocannabinol limit per pack or container of certain manufactured cannabis products.

SECTION 27. Section 329D-10, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

“(a) The types of medical cannabis products that may be manufactured and distributed pursuant to this chapter shall be limited to:

- (1) Capsules;
- (2) Lozenges;
- (3) Pills;
- (4) Oils and oil extracts;
- (5) Tinctures;
- (6) Ointments and skin lotions;
- (7) Transdermal patches;
- (8) Pre-filled and sealed containers used to aerosolize and deliver cannabis orally, such as with an inhaler or nebulizer; [and] provided that containers need not be manufactured by the licensed dispensary but shall be filled with cannabis, cannabis oils, or cannabis extracts manufactured by the licensed dispensary; shall not contain nicotine, tobacco-related products, or any other non-cannabis derived products; and shall be designed to be used with devices used to provide safe pulmonary administration of manufactured cannabis products;
- (9) Devices that provide safe pulmonary administration; provided that:

- (A) The heating element of the device, if any, is made of inert materials such as glass, ceramic, or stainless steel, and not of plastic or rubber;
 - (B) The device is distributed solely for use with single-use, pre-filled, tamper-resistant, sealed containers that do not contain nicotine or other tobacco products;
 - (C) The device is used to aerosolize and deliver cannabis by inhalation, such as an inhaler, medical-grade nebulizer, or other similar medical grade volatilization device;
 - (D) There is a temperature control on the device that is regulated to prevent the combustion of cannabis oil; and
 - (E) The device need not be manufactured by the licensed dispensary; and
- [(9)] (10) Other products as specified by the department.”

SECTION 28. Section 329D-11, Hawaii Revised Statutes, is amended to read as follows:

“~~§§329D-11~~ Advertising and packaging. (a) The department shall establish standards regarding the advertising and packaging of cannabis and manufactured cannabis products; provided that the standards, at a minimum, shall require the use of packaging that:

- (1) Is child-resistant and opaque so that the product cannot be seen from outside the packaging;
- (2) Uses only black lettering on a white background with no pictures or graphics;
- (3) Is clearly labeled with the phrase “For medical use only”;
- (4) Is clearly labeled with the phrase “Not for resale or transfer to another person”;
- (5) Includes instructions for use and “use by date”;
- (6) Contains information about the contents and potency of the product;
- (7) Includes the name of the production center where cannabis in the product was produced, including the batch number and date of packaging;
- (8) Includes a barcode generated by tracking software; and
- (9) In the case of a manufactured cannabis product, ~~[a listing]~~ includes a:
 - (A) Listing of the equivalent physical weight of the cannabis used to manufacture the amount of the product that is within the packaging, pursuant to section 329D-9(c)[-];
 - (B) Clearly labeled warning stating that the product:
 - (i) Is a medication that contains cannabis, and is not a food; and
 - (ii) Should be kept away from children; and
 - (C) Date of manufacture.

(b) Any capsule, lozenge, or pill containing cannabis or its principal psychoactive constituent tetrahydrocannabinol shall be packaged so that one dose, serving, or single wrapped item contains no more than ten milligrams of tetrahydrocannabinol; provided that no manufactured cannabis product that is sold in a pack of multiple doses, servings, or single wrapped items, nor any containers of oils, shall contain more than a total of one ~~hundred~~ thousand milligrams of tetrahydrocannabinol per pack or container[-]; provided further that no dispensary shall exceed the dispensing limits imposed by section 329D-7.

(c) All manufactured cannabis products shall be individually wrapped at the original point of manufacture.”

PART IV

SECTION 29. The legislature finds that section 329D-6(d), Hawaii Revised Statutes, restricts Hawaii medical cannabis dispensaries from employing an individual if the person was convicted of a felony. This appears unduly restrictive, as other states that have legalized medical cannabis dispensaries allow the employment of felons unless convicted for a limited set of offenses. Section 329D-6(d), Hawaii Revised Statutes, does not provide the opportunity for any exceptions based on the nature of the individual’s felony record.

The purpose of this part is to specify certain felonies and conditions that will preclude employment, and other felonies that may preclude employment, at medical cannabis dispensaries, rather than make ineligible for employment all individuals who have been convicted of any felony at any time.

SECTION 30. Section 329D-6, Hawaii Revised Statutes, is amended by amending subsection (d) to read as follows:

“(d) Notwithstanding any other law to the contrary, including but not limited to sections 378-2 and 378-2.5, ~~[no dispensary shall employ a person convicted of a felony.]~~ dispensaries:

- (1) Shall deny employment to any individual who has been:
 - (A) Convicted of murder in any degree;
 - (B) Convicted of a class A or class B felony; or
 - (C) Convicted of a class C felony involving trafficking, distributing, or promoting a schedule I or II controlled substance other than cannabis within the last ten years; and
- (2) May deny employment to any individual who has been convicted of a class C felony involving:
 - (A) Fraud, deceit, misrepresentation, embezzlement, or theft; or
 - (B) Endangering the welfare of a minor.

Employment under this chapter shall be exempt from section 378-2(a)(1), as it relates to arrest and court record discrimination, and section 378-2.5.”

PART V

SECTION 31. (a) The office of medical cannabis control and regulation, established pursuant to H.B. 2742, HD1, SD1, CD1, and enacted as Act ,² Session Laws of Hawaii 2018, shall establish a medical use of cannabis outstanding issues working group to consider and make recommendations regarding:

- (1) Employment issues involving an employee who is a registered qualifying patient for whom the medical use of cannabis is permitted pursuant to sections 329-122 and 329-123, Hawaii Revised Statutes; and
 - (2) Authorization and regulation of the manufacture and dispensing of edible cannabis products by a licensed medical cannabis dispensary.
- (b) The working group shall consider the following issues related to the employment of a qualifying patient registered according to section 329-123, Hawaii Revised Statutes:
- (1) Actions taken in other states regarding employment of qualifying medical cannabis patients, particularly in regard to substance abuse on-site screening tests administered by an employer;

- (2) Protections available in other states against employment discrimination and suspension or discharge from employment based on an individual's status as a qualifying medical cannabis patient;
 - (3) Allowable substance abuse screening tests for employees whose job requires the employee to not be under the influence of substances, such as employees in positions that require operation of a vehicle or heavy machinery, employees in inherently dangerous positions such as construction workers, or other employees subject to generally-applicable safety requirements;
 - (4) The requirements applicable to both employees and employers contained in controlling federal law that requires employees to submit to substance abuse screening tests, including regulations of the Federal Aviation Administration, United States Department of Transportation, United States Department of Defense, United States Coast Guard, Department of Labor, and any other federal agency;
 - (5) Applicable requirements for privacy of medical information and prohibitions on discrimination based on health or disability status contained in state and federal law; and
 - (6) Any other issues related to employment of registered qualifying patients for whom the medical use of cannabis is permitted, at the discretion of the working group.
- (c) The working group shall consider the following issues related to the manufacture and dispensing of edible cannabis products by licensed medical cannabis dispensaries:
- (1) Actions taken and regulatory systems established by other states;
 - (2) Standards for testing and labeling of edible cannabis products for product content, potency, and dosage;
 - (3) Requirements and limitations for the types of allowable edible cannabis products, including restrictions on products such as gummies, brightly colored candies, or other products with a design likely to appeal to children or designed to resemble commercially available products marketed to children or adolescents;
 - (4) Requirements and limitations applicable to liquid products;
 - (5) Health and safety standards applicable to the manufacture of edible cannabis products, including standards for the protection of both consumers of the products and employees who manufacture the products; and
 - (6) Any other issues related to the manufacture and dispensing of edible cannabis products, at the discretion of the working group.
- (d) The working group shall consist of the following:
- (1) The program manager of the office of medical cannabis control, who shall serve as the chair of the working group;
 - (2) The chairs of the senate committee on commerce, consumer protection, and health and house committee on consumer protection and commerce, or their designees;
 - (3) The chair of the house committee on health and human services, or the chair's designee;
 - (4) A member of the senate who is selected by the president of the senate to serve on the working group;
 - (5) A representative of the department of health's food safety consultative and education program, to be selected by the director of health;
 - (6) A representative of the department of health's sanitation branch, to be selected by the director of health;

ACT 117

- (7) Two participants in Hawaii's medical cannabis program, one of whom is a qualifying patient eighteen years of age or older, and one of whom is a parent or legal guardian of a qualifying patient who is under the age of ten;
 - (8) A medical cannabis dispensary licensee, to be selected by the program manager of the office of medical cannabis control and regulation; and
 - (9) Any other member selected by the members of the working group, subject to approval by the chair.
- (e) The working group shall be officially convened at the pleasure of the chair of the working group, but no later than August 1, 2018.
- (f) The working group may request assistance and feedback from subject matter experts and other stakeholders, as needed, to enable the working group to carry out its work.
- (g) The working group shall provide periodic updates to the legislature and shall make recommendations for any legislative or administrative action the working group deems appropriate to address issues surrounding the employment of qualifying patients and the manufacture and dispensing of edible cannabis products. The working group shall submit a final report, including recommendations for further action, to the legislature no later than twenty days before the convening of the regular session of 2019.
- (h) The working group shall be dissolved on June 30, 2019.

PART VI

SECTION 32. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

SECTION 33. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.³

SECTION 34. This Act shall take effect on July 1, 2018.

(Approved July 5, 2018.)

Notes

- 1. So in original.
- 2. HB2742, HD1, SD1, CD1 became Act 159.
- 3. Edited pursuant to HRS §23G-16.5.

ACT 117

H.B. NO. 2613

A Bill for an Act Making an Appropriation for He'eia National Estuarine Research Reserve.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The national estuarine research reserve system is a network of twenty-eight protected areas along America's coasts. According to the *National Estuarine Research Reserve System Strategic Plan 2011-2016*, the system is founded on the principle that long-term protection of representative estuaries provides stable platforms for research and education and the application of management practices that will benefit the nation's estuaries and coasts.

The legislature finds that the State has coordinated with the National Oceanic and Atmospheric Administration to nominate He'eia estuary as a national estuarine research reserve. The site, located on Oahu's windward shore, includes He'eia state park, He'eia fishpond, and the He'eia community development district, as well as marine waters with patch and fringing reefs and Moku o Lo'e (Coconut Island). In 2012, the office of planning was designated as the lead agency to coordinate the selection for a Hawaii site to be designated as a national estuarine research reserve and nomination process for He'eia to be designated as a national estuarine research reserve. In 2014, He'eia was officially nominated as a national estuarine research reserve to support the National Oceanic and Atmospheric Administration's policy to encourage expansion of the program in unrepresented areas of the country.

The He'eia site was chosen as the preferred site after a statewide solicitation period from interested communities. The office of planning supported the designation process through the development of the He'eia national estuarine research reserve system management plan. On January 19, 2017, the He'eia site was officially designated as the twenty-ninth site in the national estuarine research reserve system, which enables federal funding to support the implementation of the management plan.

The Hawaii institute of marine biology, which is part of the University of Hawaii at Manoa, is the lead agency for implementation of the He'eia national estuarine research reserve system management plan. The university's partners will include the Hawaii community development authority, department of land and natural resources, and several community organizations. For He'eia reserve to succeed in its function within the national estuarine research reserve system, funding for initial staffing is essential. Further funding is required to sustain them and to keep He'eia reserve fully functioning. The legislature notes that as funding or partnership opportunities become available, additional staff will be required within the first five years to meet management plan goals and objectives, and further notes that the federal government matches state appropriations on a seventy per cent (federal) to thirty per cent (state) basis.

The purpose of this Act is to support He'eia estuary in its designation as a national estuarine research reserve by appropriating funds to maintain the initial staff necessary to develop and manage He'eia reserve and its programs.

SECTION 2. Contractors and other third parties who receive funds under this Act may be subject to review and inspection by the University of Hawaii, the department of land and natural resources, the attorney general, and the auditor. Upon request by such agencies, the contractor or third party shall be required to submit for review all files, records, documents, and accounting related to the use and expenditure of funds received pursuant to this Act, whether the funds were received via contract, grant, or other agreement.

SECTION 3. There is appropriated out of the general revenues of the State of Hawaii the sum of \$150,000 or so much thereof as may be necessary for fiscal year 2018-2019 for the hiring of 1.00 full-time equivalent (1.00 FTE) permanent position within the University of Hawaii to maintain the initial staff and operations necessary to develop and manage He'eia reserve and its programs.

The sum appropriated shall be expended by the University of Hawaii for the purposes of this Act.

SECTION 4. This Act shall take effect on July 1, 2018.

(Approved July 5, 2018.)

A Bill for an Act Relating to the Environment.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that the exceptional tree act, Act 105, Session Laws of Hawaii 1975, recognizes the value of trees for their beauty and ecological functions and requires each county to establish a county arborist advisory committee to recommend regulations to protect trees of exceptional stature. The legislature also finds that section 58-2, Hawaii Revised Statutes, requires one member of the county arborist advisory committee to be actively employed in the practice of landscape architecture. The county of Hawaii currently has only three landscape architects working within the county, thereby severely limiting the pool of candidates. As a result, the county of Hawaii has not had a functioning county arborist advisory committee since 2008.

The purpose of this Act is to expand the candidate pool for membership on a county arborist advisory committee by including, in addition to persons actively employed in landscape architecture, certified arborists, horticulturalists with specialization in trees, and persons who have received a master's degree in botany.

SECTION 2. Section 58-2, Hawaii Revised Statutes, is amended to read as follows:

“~~[[§58-2]]~~ County arborist advisory committees; establishment. Each county of the State shall establish a county arborist advisory committee, ~~[which]~~ whose members shall be appointed by the mayor and shall include ~~[the]~~:

- (1) The county planning director, or the director's designee; ~~[one]~~
- (2) One member who shall be a person actively employed in the practice of landscape architecture, a certified arborist, a horticulturist with specialization in trees, or a person who has received a master's degree in botany; and ~~[not]~~
- (3) Not less than three other members selected on the basis of active participation in programs of community beautification, or research or organization in the ecological sciences, including ethnobotany, or Hawaiiana.”

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect upon its approval.

(Approved July 5, 2018.)

A Bill for an Act Relating to the Environmental Courts.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 604A-2, Hawaii Revised Statutes, is amended by amending its title and subsection (a) to read as follows:

~~“[§604A-2] Jurisdiction.~~ (a) The environmental courts shall have exclusive, original jurisdiction over all proceedings, including judicial review of administrative proceedings and proceedings for declaratory judgment on the validity of agency rules authorized under chapter 91, arising under chapters 6D, 6E, 6K, 128D, 339, 339D, 340A, 340E, 342B, 342C, 342D, 342E, 342F, 342G, 342H, 342I, 342J, 342L, 342P, 343, and 508C, and title 12; provided that ~~[upon]~~:

- (1) The environmental courts shall not have exclusive, original jurisdiction over any proceedings relating to any motor vehicle, motorcycle, motor scooter, or moped parking violations adopted under agency rules pursuant to chapter 91 and authorized under chapters 6D, 6E, 6K, 128D, 339, 339D, 340A, 340E, 342B, 342C, 342D, 342E, 342F, 342G, 342H, 342I, 342J, 342L, 342P, 343, and 508C, and title 12; and
- (2) Upon the motion of a party or sua sponte by the chief justice, the chief justice may assign to the environmental courts issues before the courts when the chief justice determines that due to their subject matter the assignment is required to ensure the uniform application of environmental laws throughout the State or to otherwise effectuate the purpose of this chapter.”

SECTION 2. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect on July 1, 2018.

(Approved July 5, 2018.)

ACT 120

H.B. NO. 2455

A Bill for an Act Making an Appropriation to the Department of Business, Economic Development, and Tourism for the 2018 Gannenmono Celebration.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. This Act is recommended by the governor for immediate passage in accordance with section 9 of article VII of the Constitution of the State of Hawaii.

SECTION 2. This year marks the one hundred fiftieth anniversary of the arrival in Hawaii of the first group of organized Japanese immigrants, known as the gannenmono. The gannenmono, or “first year men”, arrived in Hawaii from Yokohama, Japan, in June 1868. The State should provide adequate and timely funding to celebrate this historic event.

The purpose of this Act is to make an appropriation to the department of business, economic development, and tourism for the 2018 gannenmono celebration. Funds shall be provided to the Japan-America Society of Hawaii to plan, organize, and implement the celebration.

ACT 121

SECTION 3. There is appropriated out of the general revenues of the State of Hawaii the sum of \$150,000 or so much thereof as may be necessary for fiscal year 2017-2018 for celebrations of the one hundred fiftieth anniversary of the arrival in Hawaii of the first group of organized Japanese immigrants, known as the gannenmono.

The sum appropriated shall be expended by the department of business, economic development, and tourism for the purposes of this Act.

SECTION 4. This Act shall take effect upon its approval.

(Approved July 5, 2018.)

ACT 121

H.B. NO. 1508

A Bill for an Act Relating to Energy Efficiency.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that green infrastructure financing was established in the public interest to make cost-effective green infrastructure equipment options accessible and affordable to customers in order to achieve Hawaii's clean energy goals while benefitting from measurable cost savings.

The legislature further finds that \$46,400,000 was appropriated out of the Hawaii green infrastructure special fund for fiscal year 2017-2018 for the purpose of financing the installation costs for energy-efficient lighting and other energy-efficiency measures related to heat abatement at public schools. Similarly, the department of education, with the approval of the governor, was authorized to borrow the sum of \$46,400,000 for fiscal year 2017-2018 from the green infrastructure loan program upon terms and conditions as are agreed to between the department of education and the Hawaii green infrastructure authority; provided that the loan shall be issued free of interest charges. Repayment of the loan will be from general revenue savings from reduced utility costs as a result of the implementation of energy-efficient lighting and other energy-efficiency measures.

Further, while the department of education's energy-efficiency plan utilizing Hawaii green infrastructure financing initially included only light emitting diode lighting retrofits, the legislature finds that this financing mechanism, coupled with innovative implementation strategies, will enable the department of education to implement deeper retrofits to include other energy-efficiency measures.

EnerNoc Utility Solutions Consulting Inc. prepared and presented the *State of Hawaii Energy Efficiency Potential Study, Project #1448* (study) to the Hawaii public utilities commission on January 15, 2014. The study categorized Hawaii's 2012 energy consumption into five sectors: residential (thirty-two per cent), military (eleven per cent), water and wastewater (four per cent), street lighting (0.5 per cent), and commercial (fifty-two per cent). The study found that the commercial sector, which includes the government, consumes over half of statewide electricity use, and concluded that the majority of the statewide energy-efficiency savings potential is found in the commercial sector. Of the twenty-five state agencies participating in the department of business, economic development, and tourism's report to the legislature titled *Lead by Example State of Hawaii Agencies' Energy Initiatives FY 2013-2014*, the department of education was the second largest consumer of electricity, consuming over 130,000,000 kWh per year from fiscal year 2004-2005 through fiscal year 2013-2014 at an average cost

of \$38,000,000 per year. There are a number of other state agencies and departments that would benefit from a similar financing arrangement. Reducing energy consumption in state buildings would significantly and positively contribute to the achievement of Hawaii's energy-efficiency portfolio standard, while reducing and controlling costs for Hawaii's taxpayers.

Though government agencies were not named as underserved by the Hawaii public utilities commission in the green energy market securitization program, the Hawaii public utilities commission acknowledged that the green energy market securitization program was not intended to be exclusively dedicated to underserved customers. The legislature notes that while state agencies constitute a significant component of energy consumption in Hawaii, investment in energy-efficiency improvements by government agencies has been limited. Further, government agencies can be classified with those ratepayers who are hard-to-reach with traditional market-competitive financing agreements due to procurement limitations and the obligation to include contractual provisions that make the continuation of contracts contingent upon the allocation of funds. For these reasons, the use of the green energy market securitization program funds to provide low-cost financing to enable energy-efficiency retrofits for state government agencies fills a gap not served by the capital market.

The purpose of this Act is to provide all state agencies and departments the opportunity to obtain low-cost financing from the green energy market securitization program, at an interest rate of 3.5 per cent a year, to reduce energy costs and consumption by installing energy-efficiency measures. This Act creates a sub-fund within the Hawaii green infrastructure special fund and converts \$50,000,000 into a revolving line of credit for any state agency or department to finance energy-efficiency measures, subject to sub-fund availability, on an ongoing basis. The department of education's outstanding loan balance shall be included under this revolving line of credit.

SECTION 2. Chapter 196, Hawaii Revised Statutes, is amended by adding a new section to part IV to be appropriately designated and to read as follows:

“§196- Financing for state government agencies. (a) With the approval of the governor, a state agency may apply for financing, subject to availability under the revolving line of credit for fiscal year 2018-2019, and annually thereafter, from the green infrastructure loan program pursuant to section 196-65(b)(2), upon terms and conditions as are agreed to between the department or agency and the Hawaii green infrastructure authority; provided that the loans shall be issued at an interest rate of 3.5 per cent a year; provided further that the loans shall not adversely affect the sustainability of the sub-fund or Hawaii green infrastructure special fund such that the replenishment of funds requires a higher interest rate in other financing agreements or an appropriation from the general fund.

(b) An agency shall consult with the public benefits fee administrator of the public utilities commission prior to planning an energy-efficiency measure subject to this section. The agency's proposed energy-efficiency measures shall meet or exceed the public benefits fee administrator's enhanced efficiency levels and requirements to be eligible for the Hawaii green infrastructure loan program. The agency shall coordinate with the public benefits fee administrator throughout the entire project cycle to ensure that energy efficiency is maximized. All supporting documentation required by the public benefits fee administrator shall be provided by the agency to ensure compliance with the State's energy-efficiency portfolio standard under section 269-96.

(c) An agency shall submit an expenditure plan to the executive director of the Hawaii green infrastructure authority, who shall serve as the fiscal administrator for the loans issued pursuant to subsection (a) and shall make payment on behalf of the agency, as appropriate, upon submission of requests for payment from the agency.

(d) Beginning with fiscal year 2018-2019, and annually thereafter, an agency shall repay a loan issued pursuant to subsection (a) using general revenue savings that result from reduced utility costs due to implementation of energy-efficient lighting and other energy-efficiency measures.”

SECTION 3. Section 196-61, Hawaii Revised Statutes, is amended by adding four new definitions to be appropriately inserted and to read as follows:

““Cost-effective” means that utility bill savings are achieved by the installation of an energy-efficiency measure; provided that the utility bill savings exceed the energy-efficiency measure’s installation and carrying costs in an amount sufficient to repay a loan issued pursuant to section 196- and in the manner required by that section.

“Energy-efficiency measure” means any type of project conducted, or technology implemented, to reduce the consumption of energy in a public building. The types of projects conducted or technology implemented may be in a variety of forms but shall be designed to reduce electric utility costs.

“Revolving line of credit” means a type of credit in which loan advances are made for eligible purposes and where repaid principal deposited back into the sub-fund may be re-borrowed.

“Sub-fund” means a separate fund established within the Hawaii green infrastructure special fund for a specific purpose.”

SECTION 4. Section 196-62, Hawaii Revised Statutes, is amended to read as follows:

“~~[[§196-62]]~~ **Hawaii green infrastructure loan program.** There is established a Hawaii green infrastructure loan program, which shall be a loan program as defined under section 39-51. The program shall be administered by the authority on behalf of the department in a manner consistent with chapter 39, part III. This loan program may include loans made to government entities and private entities, whether corporations, partnerships, limited liability companies, or other persons, which entities may lease or provide green infrastructure equipment to electric utility customers, as well as direct loans to electric utility customers, on terms approved by the authority.”

SECTION 5. Section 196-65, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

“(b) Moneys in the Hawaii green infrastructure special fund may be used, subject to the approval of the public utilities commission, for the purposes of:

- (1) Making green infrastructure loans, including for installation costs for energy-efficient lighting and other energy-efficiency measures ~~[related to heat abatement at public schools];~~
- (2) Creating a \$50,000,000 sub-fund, as a revolving line of credit within the Hawaii green infrastructure special fund, for any state agency to obtain financing to implement cost-effective energy-efficiency measures;
- ~~[(2)]~~ (3) Paying administrative costs of the Hawaii green infrastructure loan program;
- ~~[(3)]~~ (4) Paying any other costs related to the Hawaii green infrastructure loan program; or

~~[(4)]~~ (5) Paying financing costs, as defined in section 269-161, to the extent permitted by the public utilities commission in a financing order issued pursuant to section 269-163.”

SECTION 6. There is appropriated out of the Hawaii green infrastructure special fund the sum of \$50,000,000 or so much thereof as may be necessary for fiscal year 2018-2019, for the purpose of financing the installation costs for energy-efficient lighting and other energy-efficiency measures for any state agency.

The sum appropriated shall be expended by the Hawaii green infrastructure authority for the purposes of this Act.

SECTION 7. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.¹

SECTION 8. This Act shall take effect on July 1, 2018.

(Approved July 5, 2018.)

Note

1. Edited pursuant to HRS §23G-16.5.

ACT 122

S.B. NO. 508

A Bill for an Act Relating to Taxation.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 235-68, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

“(b) Unless otherwise provided in this section, every transferee shall deduct and withhold a tax equal to ~~[five]~~ 7.25 per cent of the amount realized on the disposition of Hawaii real property. Every person required to withhold a tax under this section is made liable for the tax and is relieved of liability for or upon the claim or demand of any other person for the amount of any payments to the department made in accordance with this section.”

SECTION 2. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 3. This Act shall take effect upon its approval and shall apply to real estate dispositions that occur on or after September 15, 2018.

(Approved July 5, 2018.)

ACT 123

H.B. NO. 2396

A Bill for an Act Relating to Tax Administration.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 235-20.5, Hawaii Revised Statutes, is amended to read as follows:

“**§235-20.5 Tax administration special fund; established.** (a) There is established a tax administration special fund, into which shall be deposited:

- (1) Fees collected under sections 235-20, 235-110.9, and 235-110.91;
- (2) Revenues collected by the special enforcement section pursuant to section 231-85; provided that in each fiscal year, of the total revenues collected by the special enforcement section, all revenues in excess of [\$700,000] \$2,000,000 shall be deposited into the general fund; and
- (3) Fines assessed pursuant to section 237D-4.
- (b) The moneys in the fund shall be used for the following purposes:
 - (1) Issuing comfort letters, letter rulings, written opinions, and other guidance to taxpayers;
 - (2) Issuing certificates under sections 235-110.9 and 235-110.91;
 - (3) Administering the operations of the special enforcement section; ~~[and]~~
 - (4) Funding support staff positions in the special enforcement section; and
- [~~(4)~~] (5) Developing, implementing, and providing taxpayer education programs, including tax publications."

SECTION 2. The department of taxation may establish five new full-time equivalent (5.0 FTE) positions that may be staffed by investigators, investigator assistants, licensed attorneys, or other support staff, in addition to using existing employees of the department of taxation, to staff the special enforcement section established in Act 134, Session Laws of Hawaii 2009, as exigencies of public service may require. Positions established pursuant to this section shall be funded with moneys from the tax administration special fund pursuant to section 235-20.5(b), Hawaii Revised Statutes.

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect on July 1, 2018.

(Approved July 5, 2018.)

ACT 124

S.B. NO. 2909

A Bill for an Act Relating to Law Enforcement.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. (a) The legislative reference bureau shall conduct a study that examines consolidating the law enforcement activities and responsibilities of various state divisions and agencies under a single, centralized state enforcement division or agency.

- (b) The study shall examine the following areas related to consolidation:
 - (1) Start-up and other costs;
 - (2) Cost-savings;
 - (3) Regulatory efficiencies;
 - (4) Structure of consolidation; and
 - (5) Operational, administrative, financial, personnel, legal, and other issues associated with consolidation.

(c) In conducting the study, the legislative reference bureau shall seek input from the following departments and divisions, including the department of the attorney general; department of land and natural resources division of

conservation and resources enforcement; department of public safety narcotics enforcement division; and department of transportation harbors division.

(d) The legislative reference bureau shall submit a report of its findings and recommendations, including any proposed legislation, to the legislature no later than twenty days before the convening of the regular session of 2019.

SECTION 2. This Act shall take effect on July 1, 2018.

(Approved July 5, 2018.)

ACT 125

H.B. NO. 1812

A Bill for an Act Relating to Health.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that it is critical for the stability of Hawaii's health care system for patients to be covered by private insurance or government subsidized health care coverage whenever possible. In 2017, the department of human services tried to implement new procedures to allow an appointed surrogate to act as a patient's authorized representative to make health care decisions related to medicaid, including the decision to apply for medicaid benefits, on behalf of a patient who lacks decision-making capacity and has not executed a power of attorney or has no legal guardian. However, there were additional medicaid requirements necessary to address before achieving this end. Allowing the patient's appointed surrogate to act as the patient's medicaid authorized representative will benefit individuals, who may become financially responsible for services that could have been covered by medicaid.

The legislature finds that it is vital for individuals who may qualify for medicaid to apply for these benefits without delay even when they are not capable of making health care decisions for themselves. Further, if an appointed surrogate is already making important healthcare decisions for a patient, the surrogate should also be allowed to help the individual apply for medical care coverage required to access services.

The purpose of this Act is to clarify that health care surrogates appointed under section 327E-5, Hawaii Revised Statutes, may operate as authorized representatives in order to act on behalf of a patient during the medicaid application process and for medicaid related matters.

SECTION 2. Section 327E-2, Hawaii Revised Statutes, is amended by amending the definition of "surrogate" to read as follows:

““Surrogate” means an individual, other than a patient’s agent or guardian, authorized under this chapter to make a health-care decision or to act as a medicaid authorized representative for the patient.”

SECTION 3. Section 327E-5, Hawaii Revised Statutes, is amended to read as follows:

“~~§327E-5~~ **Health-care decisions; surrogates.** (a) A patient may designate or disqualify any individual to act as a surrogate by personally informing the supervising health-care provider. In the absence of such a designation, or if the designee is not reasonably available, a surrogate may be appointed to make a health-care decision for the patient.

(b) A surrogate may make a health-care decision for a patient who is an adult or emancipated minor if the patient has been determined by the primary physician to lack capacity and no agent or guardian has been appointed or the agent or guardian is not reasonably available. Upon a determination that a patient lacks decisional capacity to provide informed consent to or refusal of medical treatment, the primary physician or the physician's designee shall make reasonable efforts to notify the patient of the patient's lack of capacity. The primary physician, or the physician's designee, shall make reasonable efforts to locate as many interested persons as practicable, and the primary physician may rely on such individuals to notify other family members or interested persons.

(c) Upon locating interested persons, the primary physician, or the physician's designee, shall inform such persons of the patient's lack of decisional capacity and that a surrogate decision-maker should be selected for the patient.

(d) Interested persons shall make reasonable efforts to reach a consensus as to who among them shall make health-care decisions on behalf of the patient. The person selected to act as the patient's surrogate should be the person who has a close relationship with the patient and who is the most likely to be currently informed of the patient's wishes regarding health-care decisions. If any of the interested persons disagrees with the selection or the decision of the surrogate, or, if after reasonable efforts the interested persons are unable to reach a consensus as to who should act as the surrogate decision-maker, then any of the interested persons may seek guardianship of the patient by initiating guardianship proceedings pursuant to chapter 551[-] or chapter 560, as applicable. Only interested persons involved in the discussions to choose a surrogate may initiate such proceedings with regard to the patient.

(e) If any interested person, the guardian, or primary physician believes the patient has regained decisional capacity, the primary physician shall reexamine the patient and determine whether or not the patient has regained decisional capacity and shall enter a decision and the basis for such decision into the patient's medical record and shall notify the patient, the surrogate decision-maker, and the person who initiated the redetermination of decisional capacity.

(f) A surrogate who has been designated by the patient may make health-care decisions for the patient that the patient could make on the patient's own behalf.

(g) A surrogate who has not been designated by the patient may make all health-care decisions for the patient that the patient could make on the patient's own behalf, except that artificial nutrition and hydration may be withheld or withdrawn for a patient upon a decision of the surrogate only when the primary physician and a second independent physician certify in the patient's medical records that the provision or continuation of artificial nutrition or hydration is merely prolonging the act of dying and the patient is highly unlikely to have any neurological response in the future.

The surrogate who has not been designated by the patient shall make health-care decisions for the patient based on the wishes of the patient, or, if the wishes of the patient are unknown or unclear, on the patient's best interest.

The decision of a surrogate who has not been designated by the patient regarding whether life-sustaining procedures should be provided, withheld, or withdrawn shall not be based, in whole or in part, on either a patient's preexisting, long-term mental or physical disability, or a patient's economic status. A surrogate who has not been designated by the patient shall inform the patient, to the extent possible, of the proposed procedure and the fact that someone else is authorized to make a decision regarding that procedure.

(h) A health-care decision made by a surrogate for a patient is effective without judicial approval.

(i) A surrogate may act as a medicaid authorized representative, pursuant to federal and state medicaid laws relating to authorized representatives, on the patient's behalf for the purposes of medicaid, including but not limited to assisting with, submitting, and executing a medicaid application, redetermination of eligibility, and other on-going medicaid-related communications with the department of human services. For the purposes of medicaid, the surrogate may access medicaid records of the patient on whose behalf the surrogate was designated to act. For a surrogate to be able to act under this subsection, the surrogate shall agree to be legally bound by the federal and state authorities related to authorized representatives, including but not limited to maintaining the confidentiality of any information provided by the department of human services, in compliance with all state and federal confidentiality laws. The surrogate's status as an authorized representative for the purposes of medicaid shall terminate when revoked by a patient who no longer lacks decisional capacity, upon appointment or availability of an agent or guardian of the person, or upon the patient's death.

~~(i)~~ (i) A supervising health-care provider shall require a surrogate to provide a written declaration under the penalty of false swearing stating facts and circumstances reasonably sufficient to establish the claimed authority.”

SECTION 4. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 5. This Act shall take effect upon its approval.

(Approved July 5, 2018.)

ACT 126

H.B. NO. 2530

A Bill for an Act Relating to Child Care.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that the intent of Act 161, Session Laws of Hawaii 2017 (Act 161), was to strengthen minimum standards on child care to improve the health and safety of children by requiring child care providers to obtain and maintain liability insurance coverage.

The legislature further finds that while insurance coverage for providers of child care services is available, there are a variety of policy limits, premium amounts, coverages, and exclusions from coverage that may be applicable to an individual child care provider, as determined by the market. However, the unavailability of specified coverage and cost of obtaining and maintaining insurance coverage may result in a decrease in the number of regulated home-based family child care and group child care providers across the State. At the end of December 2017, the State had approximately three hundred and fifty independent home-based child care providers. A reduction in available regulated home-based family child care and group child care providers may result in an increase in child care costs at remaining providers. Consequently, families may choose to forego employment to provide their own child care or choose unregulated child care. However, foregoing employment will reduce a family's income and resources, while choosing unregulated child care means the family will not have the benefit of the health and safety measures provided through regulated child care.

The legislature additionally finds that survey responses from home-based child care providers indicate that insurance providers have informed these child

care providers that current homeowners' insurance policies may not be renewed if the providers are conducting a child care business on the insured property. The legislature therefore finds that the inability of homeowners to obtain homeowners' insurance due to providing child care services is an unintended consequence of Act 161.

The purpose of this Act is to:

- (1) Repeal language that requires the department of human services to determine the amount of liability insurance coverage required to be obtained and maintained by child care providers;
- (2) Repeal language that requires child care providers to disclose a summary of information relating to liability insurance coverage to parents and guardians applying for child care at a child care facility; and
- (3) Amend Act 161 by extending the deadline for the department of human services to submit a report to the legislature, amending the information to be included in the report, and extending the implementation and enforcement deadline for the liability insurance requirements until July 1, 2019.

SECTION 2. Section 346-157, Hawaii Revised Statutes, is amended by amending subsections (b) and (c) to read as follows:

“(b) The department shall require all providers to obtain and maintain liability insurance coverage [~~in an amount determined by the department~~] as a condition of licensure, temporary permission, or registration to operate a child care facility.

(c) The department, as a condition of continued licensure, temporary permission, or registration, shall require all providers to disclose in writing to each parent or guardian[:

- (1) ~~Applying to have a child cared for at the provider's facility, summary information including the insurer's name and contact information, coverage amounts, and effective dates for the provider's liability insurance coverage at the time of application; or~~
- (2) Within, within seven working days of any change, cancellation, or termination of liability insurance coverage, that the coverage has been changed, canceled, or terminated while the parent's or guardian's child is cared for at the provider's facility.”

SECTION 3. Act 161, Session Laws of Hawaii 2017, is amended as follows:

- 1. By amending section 3 to read:

“SECTION 3. The department of human services shall submit a report to the legislature, no later than twenty days prior to the convening of the regular session of [~~2018,~~] 2019, on the following issues related to the liability insurance requirements established by section 2 of this Act:

- (1) ~~The amount of liability insurance coverage required to be obtained by child care providers;~~
- (2) (1) The costs incurred by child care providers to obtain liability insurance and the projected impact these costs may have on the rates charged to consumers; and
- (3) (2) Outreach efforts conducted by the department, to ensure compliance with the requirements of this Act.”

- 2. By amending section 5 to read:

“SECTION 5. This Act shall take effect on July 1, 2017; provided that implementation and enforcement of the liability insurance requirements under section 2 of this Act shall take effect on [January 1, 2019-] July 1, 2019.”

SECTION 4. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 5. This Act shall take effect upon its approval.

(Approved July 5, 2018.)

ACT 127

S.B. NO. 2783

A Bill for an Act Relating to the Hawaii Public Housing Authority.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 356D-6.5, Hawaii Revised Statutes, is amended by amending subsections (a) and (b) to read as follows:

“(a) Smoking shall be prohibited in any public housing project, elder or elderly ~~[household-]~~ housing, as defined in section 356D-1, or state low-income housing project, as defined in section 356D-51, within:

- (1) Each individual housing unit;
- (2) All common areas;
- (3) Community facilities; and
- (4) ~~[Twenty]~~ Twenty-five feet from each individual building and each administrative office building of the public housing project, elder or elderly housing, or state low-income housing project, and from any entrance, exit, window, and ventilation intake that serves an enclosed or partially enclosed area.

(b) Notwithstanding subsection (a), the authority may designate one or more permissible smoking areas at least ~~[twenty]~~ twenty-five feet away from any residential or other building, or any greater distance away as may ensure that the secondhand smoke does not infiltrate any dwelling unit~~-]~~ or office.”

SECTION 2. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 3. This Act shall take effect upon its approval.

(Approved July 5, 2018.)

ACT 128

H.B. NO. 2204

A Bill for an Act Relating to Human Services.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that current state welfare policy often penalizes welfare recipients who seek job promotions or higher paying career opportunities. Receiving increased income often causes welfare recipients to lose their beneficiary status, thus perpetuating financial hardship. The legislature fur-

ACT 129

ther finds there is a need to revise the welfare payment system to allow recipients to advance in their careers without necessarily losing their beneficiary status.

The purpose of this Act is to reestablish the exit and retention bonus program to encourage welfare recipients to transition back into the workforce.

SECTION 2. The department of human services shall reestablish the exit and retention bonus program. The program shall:

- (1) Be available to recipients who voluntarily terminate their welfare benefits within a twenty-four month period and remain out of the welfare system;
- (2) Provide bonuses available after three, six, twelve, and twenty-four months, with bonus amounts increasing for more hours of employment; and
- (3) Provide a maximum bonus amount over a period of twenty-four months.

SECTION 3. There is appropriated out of the general revenues of the State of Hawaii the sum of \$400,000 or so much thereof as may be necessary for fiscal year 2018-2019 to reestablish the exit and retention bonus program.

The sum appropriated shall be expended by the department of human services for the purposes of this Act.

SECTION 4. This Act shall take effect on July 1, 2018.

(Approved July 5, 2018.)

ACT 129

H.B. NO. 2169

A Bill for an Act Relating to Youth Suicide Prevention.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that Maui county has the highest rate of youth suicide attempts in the State and has become a serious concern for the community and State overall.

The purpose of this Act is to appropriate funds to support youth suicide early intervention, prevention, and education initiatives in Maui county.

SECTION 2. There is appropriated out of the general revenues of the State of Hawaii the sum of \$25,000 or so much thereof as may be necessary for fiscal year 2018-2019 to support youth suicide early intervention, prevention, and education initiatives in Maui county that focus upon, but are not limited to, persons between the ages of ten and twenty-four.

The sum appropriated shall be expended by the department of health for purposes of this Act.

SECTION 3. This Act shall take effect on July 1, 2018.

(Approved July 5, 2018.)

ACT 130

H.B. NO. 2043

A Bill for an Act Relating to Wastewater.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 46-1.5, Hawaii Revised Statutes, is amended to read as follows:

“§46-1.5 General powers and limitation of the counties. Subject to general law, each county shall have the following powers and shall be subject to the following liabilities and limitations:

- (1) Each county shall have the power to frame and adopt a charter for its own self-government that shall establish the county executive, administrative, and legislative structure and organization, including but not limited to the method of appointment or election of officials, their duties, responsibilities, and compensation, and the terms of their office;
- (2) Each county shall have the power to provide for and regulate the marking and lighting of all buildings and other structures that may be obstructions or hazards to aerial navigation, so far as may be necessary or proper for the protection and safeguarding of life, health, and property;
- (3) Each county shall have the power to enforce all claims on behalf of the county and approve all lawful claims against the county, but shall be prohibited from entering into, granting, or making in any manner any contract, authorization, allowance payment, or liability contrary to the provisions of any county charter or general law;
- (4) Each county shall have the power to make contracts and to do all things necessary and proper to carry into execution all powers vested in the county or any county officer;
- (5) Each county shall have the power to:
 - (A) Maintain channels, whether natural or artificial, including their exits to the ocean, in suitable condition to carry off storm waters;
 - (B) Remove from the channels, and from the shores and beaches, any debris that is likely to create an unsanitary condition or become a public nuisance; provided that, to the extent any of the foregoing work is a private responsibility, the responsibility may be enforced by the county in lieu of the work being done at public expense;
 - (C) Construct, acquire by gift, purchase, or by the exercise of eminent domain, reconstruct, improve, better, extend, and maintain projects or undertakings for the control of and protection against floods and flood waters, including the power to drain and rehabilitate lands already flooded;
 - (D) Enact zoning ordinances providing that lands deemed subject to seasonable, periodic, or occasional flooding shall not be used for residence or other purposes in a manner as to endanger the health or safety of the occupants thereof, as required by the Federal Flood Insurance Act of 1956 (chapter 1025, Public Law 1016); and
 - (E) Establish and charge user fees to create and maintain any stormwater management system or infrastructure;

- (6) Each county shall have the power to exercise the power of condemnation by eminent domain when it is in the public interest to do so;
- (7) Each county shall have the power to exercise regulatory powers over business activity as are assigned to them by chapter 445 or other general law;
- (8) Each county shall have the power to fix the fees and charges for all official services not otherwise provided for;
- (9) Each county shall have the power to provide by ordinance assessments for the improvement or maintenance of districts within the county;
- (10) Except as otherwise provided, no county shall have the power to give or loan credit to, or in aid of, any person or corporation, directly or indirectly, except for a public purpose;
- (11) Where not within the jurisdiction of the public utilities commission, each county shall have the power to regulate by ordinance the operation of motor vehicle common carriers transporting passengers within the county and adopt and amend rules the county deems necessary for the public convenience and necessity;
- (12) Each county shall have the power to enact and enforce ordinances necessary to prevent or summarily remove public nuisances and to compel the clearing or removal of any public nuisance, refuse, and uncultivated undergrowth from streets, sidewalks, public places, and unoccupied lots. In connection with these powers, each county may impose and enforce liens upon the property for the cost to the county of removing and completing the necessary work where the property owners fail, after reasonable notice, to comply with the ordinances. The authority provided by this paragraph shall not be self-executing, but shall become fully effective within a county only upon the enactment or adoption by the county of appropriate and particular laws, ordinances, or rules defining "public nuisances" with respect to each county's respective circumstances. The counties shall provide the property owner with the opportunity to contest the summary action and to recover the owner's property;
- (13) Each county shall have the power to enact ordinances deemed necessary to protect health, life, and property, and to preserve the order and security of the county and its inhabitants on any subject or matter not inconsistent with, or tending to defeat, the intent of any state statute where the statute does not disclose an express or implied intent that the statute shall be exclusive or uniform throughout the State;
- (14) Each county shall have the power to:
 - (A) Make and enforce within the limits of the county all necessary ordinances covering all:
 - (i) Local police matters;
 - (ii) Matters of sanitation;
 - (iii) Matters of inspection of buildings;
 - (iv) Matters of condemnation of unsafe structures, plumbing, sewers, dairies, milk, fish, and morgues; and
 - (v) Matters of the collection and disposition of rubbish and garbage;
 - (B) Provide exemptions for homeless facilities and any other program for the homeless authorized by part XVII of chapter 346, for all matters under this paragraph;

- (C) Appoint county physicians and sanitary and other inspectors as necessary to carry into effect ordinances made under this paragraph, who shall have the same power as given by law to agents of the department of health, subject only to limitations placed on them by the terms and conditions of their appointments; and
 - (D) Fix a penalty for the violation of any ordinance, which penalty may be a misdemeanor, petty misdemeanor, or violation as defined by general law;
- (15) Each county shall have the power to provide public pounds; to regulate the impounding of stray animals and fowl, and their disposition; and to provide for the appointment, powers, duties, and fees of animal control officers;
- (16) Each county shall have the power to purchase and otherwise acquire, lease, and hold real and personal property within the defined boundaries of the county and to dispose of the real and personal property as the interests of the inhabitants of the county may require, except that:
- (A) Any property held for school purposes may not be disposed of without the consent of the superintendent of education;
 - (B) No property bordering the ocean shall be sold or otherwise disposed of; and
 - (C) All proceeds from the sale of park lands shall be expended only for the acquisition of property for park or recreational purposes;
- (17) Each county shall have the power to provide by charter for the prosecution of all offenses and to prosecute for offenses against the laws of the State under the authority of the attorney general of the State;
- (18) Each county shall have the power to make appropriations in amounts deemed appropriate from any moneys in the treasury, for the purpose of:
- (A) Community promotion and public celebrations;
 - (B) The entertainment of distinguished persons as may from time to time visit the county;
 - (C) The entertainment of other distinguished persons, as well as, public officials when deemed to be in the best interest of the community; and
 - (D) The rendering of civic tribute to individuals who, by virtue of their accomplishments and community service, merit civic commendations, recognition, or remembrance;
- (19) Each county shall have the power to:
- (A) Construct, purchase, take on lease, lease, sublease, or in any other manner acquire, manage, maintain, or dispose of buildings for county purposes, sewers, sewer systems, pumping stations, waterworks, including reservoirs, wells, pipelines, and other conduits for distributing water to the public, lighting plants, and apparatus and appliances for lighting streets and public buildings, and manage, regulate, and control the same;
 - (B) Regulate and control the location and quality of all appliances necessary to the furnishing of water, heat, light, power, telephone, and telecommunications service to the county;
 - (C) Acquire, regulate, and control any and all appliances for the sprinkling and cleaning of the streets and the public ways, and for flushing the sewers; and

- (D) Open, close, construct, or maintain county highways or charge toll on county highways; provided that all revenues received from a toll charge shall be used for the construction or maintenance of county highways;
- (20) Each county shall have the power to regulate the renting, subletting, and rental conditions of property for places of abode by ordinance;
- (21) Unless otherwise provided by law, each county shall have the power to establish by ordinance the order of succession of county officials in the event of a military or civil disaster;
- (22) Each county shall have the power to sue and be sued in its corporate name;
- (23) Each county shall have the power to [establish]:
 - (A) Establish and maintain waterworks and sewer works; [~~to collect~~]
 - (B) Implement a sewer monitoring program that includes the inspection of sewer laterals that connect to county sewers, when those laterals are located on public or private property, after providing a property owner not less than ten calendar days' written notice, to detect leaks from laterals, infiltration, and inflow, any other law to the contrary notwithstanding;
 - (C) Compel an owner of private property upon which is located any sewer lateral that connects to a county sewer to inspect that lateral for leaks, infiltration, and inflow and to perform repairs as necessary;
 - (D) Collect rates for water supplied to consumers and for the use of sewers; [~~to install~~]
 - (E) Install water meters whenever deemed expedient; provided that owners of premises having vested water rights under existing laws appurtenant to the premises shall not be charged for the installation or use of the water meters on the premises; [~~to take~~] and
 - (F) Take over from the State existing waterworks systems, including water rights, pipelines, and other appurtenances belonging thereto, and sewer systems, and to enlarge, develop, and improve the same;
 - (G) For purposes of subparagraphs (B) and (C):
 - (i) "Infiltration" means groundwater, rainwater, and saltwater that enters the county sewer system through cracked, broken, or defective sewer laterals; and
 - (ii) "Inflow" means non-sewage entering the county sewer system via inappropriate or illegal connections;
- (24) (A) Each county may impose civil fines, in addition to criminal penalties, for any violation of county ordinances or rules after reasonable notice and requests to correct or cease the violation have been made upon the violator. Any administratively imposed civil fine shall not be collected until after an opportunity for a hearing under chapter 91. Any appeal shall be filed within thirty days from the date of the final written decision. These proceedings shall not be a prerequisite for any civil fine or injunctive relief ordered by the circuit court;
- (B) Each county by ordinance may provide for the addition of any unpaid civil fines, ordered by any court of competent jurisdiction, to any taxes, fees, or charges, with the exception of fees or charges for water for residential use and sewer charges, collect-

ed by the county. Each county by ordinance may also provide for the addition of any unpaid administratively imposed civil fines, which remain due after all judicial review rights under section 91-14 are exhausted, to any taxes, fees, or charges, with the exception of water for residential use and sewer charges, collected by the county. The ordinance shall specify the administrative procedures for the addition of the unpaid civil fines to the eligible taxes, fees, or charges and may require hearings or other proceedings. After addition of the unpaid civil fines to the taxes, fees, or charges, the unpaid civil fines shall not become a part of any taxes, fees, or charges. The county by ordinance may condition the issuance or renewal of a license, approval, or permit for which a fee or charge is assessed, except for water for residential use and sewer charges, on payment of the unpaid civil fines. Upon recordation of a notice of unpaid civil fines in the bureau of conveyances, the amount of the civil fines, including any increase in the amount of the fine which the county may assess, shall constitute a lien upon all real property or rights to real property belonging to any person liable for the unpaid civil fines. The lien in favor of the county shall be subordinate to any lien in favor of any person recorded or registered prior to the recordation of the notice of unpaid civil fines and senior to any lien recorded or registered after the recordation of the notice. The lien shall continue until the unpaid civil fines are paid in full or until a certificate of release or partial release of the lien, prepared by the county at the owner's expense, is recorded. The notice of unpaid civil fines shall state the amount of the fine as of the date of the notice and maximum permissible daily increase of the fine. The county shall not be required to include a social security number, state general excise taxpayer identification number, or federal employer identification number on the notice. Recordation of the notice in the bureau of conveyances shall be deemed, at such time, for all purposes and without any further action, to procure a lien on land registered in land court under chapter 501. After the unpaid civil fines are added to the taxes, fees, or charges as specified by county ordinance, the unpaid civil fines shall be deemed immediately due, owing, and delinquent and may be collected in any lawful manner. The procedure for collection of unpaid civil fines authorized in this paragraph shall be in addition to any other procedures for collection available to the State and county by law or rules of the courts;

- (C) Each county may impose civil fines upon any person who places graffiti on any real or personal property owned, managed, or maintained by the county. The fine may be up to \$1,000 or may be equal to the actual cost of having the damaged property repaired or replaced. The parent or guardian having custody of a minor who places graffiti on any real or personal property owned, managed, or maintained by the county shall be jointly and severally liable with the minor for any civil fines imposed hereunder. Any such fine may be administratively imposed after an opportunity for a hearing under chapter 91, but such a proceeding shall not be a prerequisite for any civil fine ordered by any court. As used in this subparagraph, "graffiti" means

any unauthorized drawing, inscription, figure, or mark of any type intentionally created by paint, ink, chalk, dye, or similar substances;

- (D) At the completion of an appeal in which the county’s enforcement action is affirmed and upon correction of the violation if requested by the violator, the case shall be reviewed by the county agency that imposed the civil fines to determine the appropriateness of the amount of the civil fines that accrued while the appeal proceedings were pending. In its review of the amount of the accrued fines, the county agency may consider:
 - (i) The nature and egregiousness of the violation;
 - (ii) The duration of the violation;
 - (iii) The number of recurring and other similar violations;
 - (iv) Any effort taken by the violator to correct the violation;
 - (v) The degree of involvement in causing or continuing the violation;
 - (vi) Reasons for any delay in the completion of the appeal; and
 - (vii) Other extenuating circumstances.

The civil fine that is imposed by administrative order after this review is completed and the violation is corrected shall be subject to judicial review, notwithstanding any provisions for administrative review in county charters;

- (E) After completion of a review of the amount of accrued civil fine by the county agency that imposed the fine, the amount of the civil fine determined appropriate, including both the initial civil fine and any accrued daily civil fine, shall immediately become due and collectible following reasonable notice to the violator. If no review of the accrued civil fine is requested, the amount of the civil fine, not to exceed the total accrual of civil fine prior to correcting the violation, shall immediately become due and collectible following reasonable notice to the violator, at the completion of all appeal proceedings; and
- (F) If no county agency exists to conduct appeal proceedings for a particular civil fine action taken by the county, then one shall be established by ordinance before the county shall impose the civil fine;

- (25) Any law to the contrary notwithstanding, any county mayor, by executive order, may exempt donors, provider agencies, homeless facilities, and any other program for the homeless under part XVII of chapter 346 from real property taxes, water and sewer development fees, rates collected for water supplied to consumers and for use of sewers, and any other county taxes, charges, or fees; provided that any county may enact ordinances to regulate and grant the exemptions granted by this paragraph;
- (26) Any county may establish a captive insurance company pursuant to article 19, chapter 431; and
- (27) Each county shall have the power to enact and enforce ordinances regulating towing operations.”

SECTION 2. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 3. This Act shall take effect upon its approval.

(Approved July 5, 2018.)

ACT 131

H.B. NO. 1934

A Bill for an Act Relating to Environmental Protection.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that, according to the Environmental Protection Agency's 2016 Underground Injection Well Inventory, Hawaii has over six thousand six hundred injection wells. The Environmental Protection Agency recognizes an injection well as a method to place fluid underground into porous geologic formations and that it has a wide range of uses, including storing carbon dioxide and disposing of waste. Some of the injection wells in the State can possibly harm the nearby local environment.

Researchers from the University of Hawaii at Manoa used field experiments and chemical analysis of water and algae in Maui to establish a connection between coastal groundwater and the health of nearshore ecosystems. The results were detailed and published on November 3, 2016, in the study "Impact of Submarine Groundwater Discharge on Marine Water Quality and Reef Biota of Maui" and showed a large impact that the wastewater injection wells at the Kahului Wastewater Reclamation Facility have had on Kahului Bay. The study highlighted that there were relatively high nutrient levels in marine surface waters in Kahului Bay and shallow areas were almost entirely dominated by a thick fleshy mat of colonial zoanths, a phenomenon not reported anywhere else in the State.

Injection wells can be hazardous to the environment and pose a risk to the health and safety of the public. Accordingly, the purpose of this Act is to prohibit the director of health from issuing permits for the construction of sewage wastewater injection wells unless alternative wastewater disposal options are not available, feasible, or practical.

SECTION 2. Section 340E-2, Hawaii Revised Statutes, is amended by amending subsection (e) to read as follows:

"(e) The director shall promulgate regulations establishing an underground injection control program. Such program shall prohibit any underground injection which is not authorized by a permit issued by the director; ~~except~~; provided that the director shall not issue permits for the construction of sewage wastewater injection wells unless alternative wastewater disposal options are not available, feasible, or practical; provided further that the director may authorize underground injection by regulation. Underground injection authorized by regulation shall not endanger drinking water sources. Any underground injection control program shall:

- (1) Set standards and prohibitions controlling any underground injection if such injection may result in the presence of any contaminant in underground water which supplies or may be expected to supply any public water system, and if the presence of such contaminant may result in such system's not complying with any national primary drinking water regulation or may otherwise adversely affect the health of persons[.];
- (2) Require, in the case of a program which authorizes underground injection by permit, that the applicant for the permit satisfy the director that the underground injection will meet the requirements of [item] paragraph (1) [of this subsection.]; and
- (3) Include inspection, monitoring, recordkeeping, and reporting requirements.

For purposes of this subsection:

“Injection well” means a bored, drilled, or driven shaft, or a dug hole, whose depth is greater than its widest surface dimension and into which subsurface disposal of fluid or fluids occurs or is meant to occur by means of injection.

“Sewage wastewater” means any liquid wastewater that includes sewage from humans or household operations, regardless of whether the wastewater has been treated or whether the wastewater pollutes or tends to pollute state waters.”

SECTION 3. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

SECTION 4. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 5. This Act shall take effect upon its approval.

(Approved July 5, 2018.)

ACT 132

S.B. NO. 2567

A Bill for an Act Relating to Cesspools.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that public health and the quality of Hawaii’s drinking water, streams, ground waters, nearshore marine areas, and ocean are being harmed by water pollution from cesspools. Drinking water, public recreation, and the precious coral reefs, on which Hawaii’s economy, shoreline, recreation, fisheries, and native species depend, are or may be harmed by such pollution.

The purpose of this Act is to:

- (1) Establish a cesspool conversion working group to develop a long-range, comprehensive plan for cesspool conversion statewide of all cesspools by 2050; and
- (2) Commission a statewide study of sewage contamination in near-shore marine areas to further supplement the studies and reports conducted by the department of health related to cesspools.

SECTION 2. (a) The cesspool conversion working group is established within the department of health for administrative purposes. The working group shall have the following objectives:

- (1) Develop a long-range, comprehensive plan for cesspool conversion statewide of all cesspools by 2050, to be known as the cesspool conversion plan;
- (2) Consider and recommend means by which the department of health can ensure that cesspools are converted to more environmentally-responsible waste treatment systems or connected to sewer systems;
- (3) Identify areas where data is insufficient to determine a priority classification of cesspools for conversion and determine methods and resources needed to collect that data and conduct analysis of those areas;
- (4) Modify, amend, and develop definitions and criteria for priority upgrade areas, as identified in the Department’s report conducted pursuant to Act 125, Session Laws of Hawaii 2017, identify the pre-

ferred alternative waste treatment systems or sewerage connections for these priority areas, and consider and make recommendations on whether cesspools in these priority areas should be required to convert sooner than 2050;

- (5) Examine financing issues and the feasibility of various mechanisms, including grants, loans, tax credits, fees, special assessment districts, requirements for conversion at point of sale, and any other appropriate mechanisms for accomplishing and funding cesspool conversion, or any combination of these mechanisms;
- (6) Consider owners' ability to pay for cesspool conversions, and, especially how assistance can be provided for lower-income homeowners;
- (7) Consider the most cost-effective approach to cesspool conversion;
- (8) Identify physical, practical, and financial impediments that may be encountered by land owners who are required to connect pre-existing cesspools to a sewer system or convert cesspools to an individual waste treatment system and recommend solutions to those impediments;
- (9) Consider best policies, practices, and laws from other jurisdictions related to cesspool conversions, including but not limited to Rhode Island and New Jersey that have undertaken large efforts to phase-out cesspools in their jurisdictions;
- (10) Include feedback from each county's community members, wastewater divisions, and boards of water supply;
- (11) Consider alternative wastewater equipment and technologies appropriate to the various areas where cesspools are located that may better protect the environment at lower or comparable cost and how the equipment or technologies can be incorporated as part of the long-term solution to wastewater treatment issues. These alternatives may include, without limitation, graywater systems, constructed wetlands, and other available technologies;
- (12) Research and recommend measures to encourage and stimulate research and innovation for new wastewater technologies, including systems that treat waste not only for bacteria but also to remove nutrients and contaminants that impact the environment;
- (13) Evaluate mandatory versus voluntary participation in the cesspool conversion plan;
- (14) Consider whether exemptions should be granted for some mandatory conversions based upon geology, topography, soil type, availability of land, or other relevant factors and make recommendations to the department relating to establishing rules for those exemptions; and
- (15) Consider any other information deemed necessary or appropriate by the department, the cesspool conversion working group, or any third-party consultants.

(b) The cesspool conversion working group shall consist of the following:

- (1) The director of health or the director's designee, who shall serve as chairperson;
- (2) The branch chief of the wastewater branch of the department of health or the branch chief's designee;
- (3) Four members representing the appropriate wastewater agency from each county appointed by the mayor of the county in which the agency is located;

- (4) A member representing the wastewater industry, appointed by the president of the senate;
- (5) A member representing the financial and banking sectors, appointed by the speaker of the house of representatives;
- (6) A member of the University of Hawaii, Hawaii institute of marine biology appointed by the director of the Hawaii institute of marine biology;
- (7) A member of the University of Hawaii water resources research center appointed by the director of the water resources research center;
- (8) A member of the Hawaii Association of REALTORS appointed by the speaker of the house of representatives;
- (9) A member of the Surfrider Foundation appointed by the president of the senate;
- (10) One representative appointed by the speaker of the house of representatives; and
- (11) One senator appointed by the president of the senate.

Working group members may recommend additional members with appropriate specialized expertise to the working group, for approval by the chairperson.

(c) Members of the working group shall serve without compensation, but shall be reimbursed for reasonable expenses incurred, including travel expenses. No member of the working group shall be made subject to chapter 84, Hawaii Revised Statutes, solely because of that members' participation as a member of the working group.

(d) The working group may contract the services of a contractor to provide any services required to establish a cesspool conversion plan or otherwise fulfill its responsibilities under this Act. Any contract executed pursuant to this Act shall be exempt from chapter 103D, Hawaii Revised Statutes.

(e) The cesspool conversion working group shall submit an interim report of its preliminary findings and recommendations, including proposed legislation, to the legislature no later than December 31, 2019, and shall submit a final report, including findings, recommendations, and any proposed legislation, to the legislature no later than twenty days prior to the convening of the regular session of 2021.

(f) The department of health shall provide administrative and clerical support required by the working group.

(g) The working group shall be dissolved on January 14, 2021.

SECTION 3. (a) The university of Hawaii water resources research center, in cooperation and consultation with the department of health, shall conduct a comprehensive statewide study of sewage contamination in nearshore marine areas, in supplementation to studies and reports conducted by the department of health related to cesspools.

(b) The university of Hawaii water resources research center and the department of health shall submit a report of their findings and recommendations, including any proposed legislation, to the cesspool conversion working group and the legislature no later than October 1, 2019.

SECTION 4. There is appropriated out of the general revenues of the State of Hawaii the sum of \$500,000 or so much thereof as may be necessary for fiscal year 2018-2019 for the university of Hawaii water resources research center, in cooperation and consultation with the department of health, to conduct

a comprehensive statewide study of sewage contamination in nearshore marine areas.

The sum appropriated shall be expended by the university of Hawaii for the purposes of this Act.

SECTION 5. There is appropriated out of the general revenues of the State of Hawaii the sum of \$1,000,000 or so much thereof as may be necessary for fiscal year 2018-2019 for the department of health, to conduct research or gather technical assistance on other issues as identified by the cesspool conversion working group in completing its comprehensive cesspool conversion plan.

The sum appropriated shall be expended by the department of health for the purposes of this Act.

SECTION 6. This Act shall take effect on July 1, 2018.

(Approved July 5, 2018.)

ACT 133

H.B. NO. 1802

A Bill for an Act Relating to Cesspools.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 235-16.5, Hawaii Revised Statutes, is amended by amending subsection (e) to read as follows:

“(e) The department of health shall:

- (1) Certify all qualified cesspools for the purposes of this section; ~~provided that, as a pilot program, the department of health, in its discretion, may certify no more than two residential large capacity cesspools as qualified cesspools];~~
- (2) Collect and maintain a record of all qualified expenses certified by an appropriate government agency for the taxable year; and
- (3) Certify to each taxpayer the amount of credit the taxpayer may claim; provided that if, in any year, the annual amount of certified credits reaches \$5,000,000 in the aggregate, the department of health shall immediately discontinue certifying credits and notify the department of taxation.

The director of health may adopt rules under chapter 91 as necessary to implement the certification requirements under this section.”

SECTION 2. Statutory material to be repealed is bracketed and stricken.

SECTION 3. This Act shall take effect upon its approval and shall apply to taxable years beginning after December 31, 2017.

(Approved July 5, 2018.)

ACT 134

H.B. NO. 2369

A Bill for an Act Relating to the Policy Advisory Board for Elder Affairs.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that the policy advisory board for elder affairs includes nine ex officio members; it is their office that entitles them to be appointed, unlike other selected members of the board who have eligibility

requirements based on their interests and knowledge. The ex officio members are voting members and that has sometimes created difficulties because the ex officio members or their designated surrogates may not be as familiar with problems and solutions related to aging as the other members. Often the ex officio members or their designated surrogates have workloads within their assigned departments that prevent them from devoting the time or energy to learning current issues related to aging or that prevent them from attending all twelve meetings of the board each year. Additionally, ex officio members or their designated surrogates are often younger than the age of sixty, which is problematic because a majority of the board is required to be over sixty years old.

The purpose of this Act is to amend section 349-4, Hawaii Revised Statutes, to change the composition of the board by decreasing the number of members, specifying that ex officio members are nonvoting members, and revising the list of agencies that provide representatives to serve as ex officio members.

SECTION 2. Section 349-4, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

“(a) There shall be a policy advisory board for elder affairs, appointed by the governor under section 26-34. The board shall advise the director in[;] but not limited to[;] the following areas:

- (1) The identification of issues and alternative approaches to solutions;
- (2) The development of position statements and papers;
- (3) Advocacy and legislative actions; and
- (4) Program development and operations.

The board shall consist of not less than [~~twenty-one~~] fifteen nor more than [~~twenty-nine~~] twenty-one members, a majority of whom are over sixty years of age and who shall be selected on the basis of their interests and knowledge in and their ability to make contributions to the solution of problems relating to aging, and shall include at least one member from the county of Hawaii, one member from the county of Maui, one member from the county of Kauai, and one member from the city and county of Honolulu. There [~~shall~~] may be [~~nine~~] up to ten members who shall serve as ex officio nonvoting members and [~~shall be chosen from among~~] may consist of the heads of the following [~~state~~] agencies [~~which~~] that provide services or programs affecting elders: health, human services, education, labor and industrial relations, commerce and consumer affairs, University of Hawaii, transportation, the state retirement system, [the office of consumer protection,] and, by invitation, the Hawaii [representative] representatives of the [United States Department of Health and Human Services[-] and the Social Security Administration. Ex officio members may delegate their board responsibilities to another member of their agency. Of the non ex officio members, one-third of the members shall be appointed for the term of four years, one-third for the term of three years, and one-third for the term of two years; and thereafter the terms of office of each member shall be four years. The members shall serve without compensation, but shall be paid their necessary expenses in attending meetings and carrying out the responsibilities of the board. The chairperson shall be elected annually from the nongovernmental members of the board. There shall be not less than twelve meetings of the board each year.”

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect upon its approval.

(Approved July 5, 2018.)

ACT 135

H.B. NO. 2373

A Bill for an Act Relating to the Sharing of Vital Statistics Records with Department of Health Program Employees for Approved Research Purposes.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Chapter 338, Hawaii Revised Statutes, is amended by adding a new section to part I to be appropriately designated and to read as follows:

“§338- Sharing of vital statistics records with department of health program employees for approved research purposes. (a) Notwithstanding section 338-18, the department may disclose public health statistics records to persons who are employed by department of health programs, acting within the scope of their employment, who need to use a public health statistics record for research purposes, as approved by the department of health’s institutional review committee. Upon the institutional review committee’s approval, the department may disclose the following to department employees as specified in this section:

- (1) Names, addresses, and contact information in the record for the purpose of contacting persons identified in the record to request informed consent to use additional specified information in the record. Upon confirmation of informed consent, the additional specified information in the record may be disclosed and used for approved research purposes; and
- (2) Information in the record as approved by the institutional review committee without informed consent of persons identified in the record; provided that the institutional review committee:
 - (A) Identifies the information in the record for which disclosure is sought;
 - (B) Determines that obtaining informed consent is not practicable; and
 - (C) Determines that there is a public health purpose for the approved research that substantially outweighs the confidentiality interest of persons identified in the record.

(b) Research purposes under this section are limited to those that have been approved by the department’s institutional review committee.

(c) Requirements for informed consent shall be determined by the department’s institutional review committee as part of its approval of the research purposes for which the information in the record will be disclosed and used.

(d) Information disclosed pursuant to this section may only be re-disclosed:

- (1) With authorization from the institutional review committee; or
- (2) If the record has been redacted of identifying personal information.

(e) For the purposes of this section, “department” means the department of health.”

SECTION 2. New statutory material is underscored.¹

SECTION 3. This Act shall take effect upon its approval.

(Approved July 5, 2018.)

Note

1. Edited pursuant to HRS §23G-16.5.

A Bill for an Act Relating to Health.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that quality assurance committees provide hospitals, health plans, long term care facilities, and other healthcare organizations with a mechanism to evaluate, monitor, and improve quality of care; reduce patient risk and error; and assess the overall effectiveness of care provided to patients. Quality assurance committees are well established and essential to our healthcare delivery system.

However, the legislature notes that there are two separate and inconsistent definitions of "quality assurance committee" in the Hawaii Revised Statutes. Because of this inconsistency, quality assurance committees established by different types of health care organizations may face different confidentiality and liability protection provisions.

The purpose of this Act is to make the usage of the term "quality assurance committee" consistent throughout the Hawaii Revised Statutes.

Specifically, this Act amends the definition of "quality assurance committee", for the purpose of liability protection, to:

- (1) Include committees established by long-term care facilities, skilled nursing facilities, assisted living facilities, home care agencies, hospices, and authorized state agencies; and
- (2) Allow for the creation of a quality assurance committee outside of a single health plan or hospital.

SECTION 2. Section 663-1.7, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) As used in this section:

"Ethics committee" means a committee that may be an interdisciplinary committee appointed by the administrative staff of a licensed hospital, whose function is to consult, educate, review, and make decisions regarding ethical questions, including decisions on life-sustaining therapy.

"Licensed health maintenance organization" means a health maintenance organization licensed in Hawaii under chapter 432D.

"Peer review committee" means a committee created by a professional society, or by the medical or administrative staff of a licensed hospital, clinic, health maintenance organization, preferred provider organization, or preferred provider network, whose function is to maintain the professional standards of persons engaged in its profession, occupation, specialty, or practice established by the bylaws of the society, hospital, clinic, health maintenance organization, preferred provider organization, or preferred provider network of the persons engaged in its profession or occupation, or area of specialty practice, or in its hospital, clinic, health maintenance organization, preferred provider organization, or preferred provider network.

"Preferred provider organization" and "preferred provider network" means a partnership, association, corporation, or other entity which delivers or arranges for the delivery of health services, and which has entered into a written service arrangement or arrangements with health professionals, a majority of whom are licensed to practice medicine or osteopathy.

"Professional society" or "society" means any association or other organization of persons engaged in the same profession or occupation, or a specialty within a profession or occupation, a primary purpose of which is to maintain the

professional standards of the persons engaged in its profession or occupation or specialty practice.

“Quality assurance committee” means ~~an~~:

- (1) An interdisciplinary committee established by the board of trustees or administrative staff of a licensed hospital, clinic, long-term care facility, skilled nursing facility, assisted living facility, home care agency, hospice, health maintenance organization, preferred provider organization, ~~or~~ preferred provider network~~;~~ providing medical, dental, or optometric care, or an authorized state agency whose function is to monitor and evaluate patient care~~;~~ and to identify, study, and correct deficiencies ~~and seek improvements in the patient care delivery process;~~ in the health care delivery system, with a goal of reducing the risk of harm to patients, improving patient safety, or otherwise improving the quality of care delivered to patients; or
- (2) An interdisciplinary committee composed of representatives of organizations described in paragraph (1) that is established collectively by the boards of trustees or administrative staff of these organizations, and whose function is to monitor and evaluate patient care to identify, study, and correct deficiencies in the health care delivery system, with a goal of reducing the risk of harm to patients, improving patient safety, or otherwise improving the quality of care delivered to patients.”

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect upon its approval.

(Approved July 5, 2018.)

ACT 137

S.B. NO. 203

A Bill for an Act Relating to State Council on Mental Health.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 334-10, Hawaii Revised Statutes, is amended to read as follows:

“§334-10 State council on mental health. (a) There is established, within the department of health for administrative purposes, a state council on mental health. The council shall consist of twenty-one members appointed by the governor as provided in section 26-34. In making appointments to the council, the governor shall ensure that all service area boards of the State are represented, and that a majority of the members are nonproviders of mental health or other health services, and that a majority of the members are not state employees. The number of parents of children with serious emotional disturbances shall be sufficient to provide adequate representation of such children in the deliberations of the council. The council shall be composed of residents of the State, including individuals representing:

- (1) The principal state agencies with respect to mental health, education, vocational rehabilitation, criminal justice, housing, medicaid, and social services;

- (2) Public and private entities concerned with the need, planning, operation, funding, and use of mental health services and related support services;
- (3) Adults with serious mental illnesses who are receiving, or have received, mental health services;
- (4) The families of such adults or families of children with serious emotional disturbances; and
- (5) The Hawaii advisory commission on drug abuse and controlled substances who shall be a person knowledgeable about the community and the relationships between mental health, mental illness, and substance abuse.

(b) The council shall elect a chairperson from among its members. All members shall serve without compensation but shall be paid their necessary expenses in attending meetings of the council.

(c) The council shall advise the department on allocation of resources, statewide needs, and programs affecting two or more service areas. The council shall review and comment on the statewide comprehensive integrated service plan and shall serve as an advocate for adults with serious mental illness, children with serious emotional disturbances, other individuals with mental illnesses or emotional problems, and individuals with combined mental illness substance abuse disorders.

(d) If the department’s action is not in conformance with the council’s advice, the department shall provide a written explanation of its position to the council.

(e) The council shall prepare and submit an annual report to the governor and the legislature on implementation of the statewide comprehensive integrated service plan. The report presented to the legislature shall be submitted at least twenty days prior to the convening of each regular session.

(f) A quorum for purposes of doing business shall consist of a majority of the members serving on the council immediately before a meeting begins.

(g) If a quorum is present when a vote is taken, the affirmative vote of a majority of members present shall constitute a valid act of the council unless this chapter, part I of chapter 92, the articles of incorporation, or the bylaws require a greater number of affirmative votes.”

SECTION 2. New statutory material is underscored.

SECTION 3. This Act shall take effect upon its approval.

(Approved July 5, 2018.)

ACT 138

S.B. NO. 202

A Bill for an Act Relating to Service Area Boards.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 334-11, Hawaii Revised Statutes, is amended to read as follows:

“§334-11 Service area boards. (a) A service area board shall be established within the department of health for administrative purposes to advise each service area administrator. Each board shall consist of nine members appointed by the governor, who shall serve for terms to be determined by the

governor. After the initial appointees, the governor shall fill each vacancy on a board by appointing a member from a list of four persons submitted by that board, except that, if the board is unable to achieve a quorum at two consecutive meetings called for the purpose of making such a list, the list may be provided by a group of at least seven service area consumers and nonproviders of mental health services. This group shall consist of all board members willing to participate in making the list and other area consumers and nonproviders of mental health services to be selected by the service area board chairperson and service area administrator. Any meeting called for the purpose of making the list shall be subject to part I of chapter 92. The members of the board shall be service area residents, who are consumers or nonproviders of mental health services and service area providers with a majority being non-state employees and nonproviders of mental health or other health services.

Each board shall elect a chairperson from among its members. All members shall serve without compensation but shall be paid their necessary expenses in attending meetings of the board.

(b) Each service area administrator and board, in consultation with public and private providers, shall participate in the development of comprehensive integrated service area plans and budgets. Each board shall advise the service area administrator about service area needs to prevent and treat mental or emotional disorders, combined mental illness substance abuse disorders, and persons afflicted by these disorders, and provide advice, guidance, and recommendations to both the advisory commission on drug abuse and controlled substances, section 329-2, and the state council on mental health, section 334-10, as they deem appropriate.

(c) If a service area administrator's actions are not in conformance with the board's planning decisions, the service area administrator shall provide a written explanation to the board.

(d) A quorum for purposes of doing business shall consist of a majority of the members serving on a board immediately before a meeting begins.

(e) If a quorum is present when a vote is taken, the affirmative vote of a majority of the members present shall constitute a valid act of a board unless this chapter, part I of chapter 92, or the articles or bylaws of the board require the vote of a greater number of members."

SECTION 2. New statutory material is underscored.

SECTION 3. This Act shall take effect on July 1, 2018.

(Approved July 5, 2018.)

ACT 139

S.B. NO. 2799

A Bill for an Act Relating to the Supervision of Licensed Dental Hygienists in a Public Health Setting.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 447-3, Hawaii Revised Statutes, is amended by amending subsection (d) to read as follows:

"(d) [A] Notwithstanding section 447-1(f), a licensed dental hygienist may operate under the supervision [as provided in section 447-1(f)] of any licensed dentist providing dental services in a public health setting. General supervision is permitted in a public health setting; provided that the supervising

licensed dentist is available for consultation; provided further that a licensed dental hygienist shall not perform any irreversible procedure or administer any intra-oral block anesthesia under general supervision. In a public health setting, the supervising licensed dentist shall be responsible for all delegated acts and procedures performed by a licensed dental hygienist. [As used in this subsection, "public health setting" includes dental services in a legally incorporated eleemosynary dental dispensary or infirmary, private school, welfare center, hospital, nursing home, adult day care center or assisted living facility, mental institution, nonprofit health clinic, or the State or any county. A] Notwithstanding section 447-1(f), a licensed dental hygienist under the general supervision of a licensed dentist employed in a public health setting may perform dental education, dental screenings, teeth cleanings, intra-oral or extra-oral photographs, x-rays if indicated, and fluoride applications[-] on individuals who are not yet patients of record, have not yet been examined by a licensed dentist, or do not have a treatment plan. Other permissible duties shall be pre-screened and authorized by a supervising licensed dentist, subject to the dentist's determination that the equipment and facilities are appropriate and satisfactory to carry out the recommended treatment plan. A licensed dental hygienist shall refer individuals not currently under the care of a dentist and who are seen in a public health setting to a dental facility for further dental care. No direct reimbursements shall be provided to licensed dental hygienists.

As used in this subsection, "public health setting" includes but is not limited to dental services in a legally incorporated eleemosynary dental dispensary or infirmary, private or public school, welfare center, community center, public housing, hospital, nursing home, adult day care center or assisted living facility, mental institution, nonprofit health clinic or facility, or the State or any county."

SECTION 2. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 3. This Act shall take effect on July 1, 2018.

(Approved July 5, 2018.)

ACT 140

H.B. NO. 2594

A Bill for an Act Relating to the Kaho'olawe Island Reserve Commission.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Through Act 340, Session Laws of Hawaii 1993, the legislature found that the island of Kaho'olawe was of significant cultural and historic importance to the native people of Hawaii. The legislature also found that, due to extensive erosion and other ecological problems, the presence of unexploded ordnance, the existence of archaeological and other cultural and historic sites, and the presence of native and endangered flora and fauna, a new management regime was needed to effectively meet the unique challenges of restoring, preserving, and determining the appropriate use of Kaho'olawe.

The Kaho'olawe island reserve commission was funded predominantly by a dwindling trust fund created in 1994 during the federal cleanup of unexploded ordnance on Kaho'olawe. Although it was a considerable amount, the federal appropriations totaling approximately \$44,000,000 over a period of several years was not substantial enough to establish a sustainable endowment for the long-term restoration of Kaho'olawe.

As stated in the federally mandated Kaho'olawe Island Conveyance Commission Final Report to Congress in 1993, "[i]n the short term, federal

funds will provide the bulk of the program support for specific soil conservation projects and related activities. In the longer term, however, state revenues will be needed to continue and enhance those activities initiated with federal funds.” From 1994 until 2016, federal funding has allowed the Kaho‘olawe island reserve commission to establish many innovative programs that emphasize ancestral and traditional knowledge, use a cultural approach of respect for and connectivity with the environment, and integrate ancient and modern resource-management techniques.

In 2004, the management and control of the Kaho‘olawe island reserve was transferred from the United States Navy to the State, with the Kaho‘olawe island reserve commission as the state agency designated to oversee the use and restoration of the reserve. During the past fourteen years, the Kaho‘olawe island reserve commission has been able to develop innovative restoration projects that are effective in the extremely harsh conditions of Kaho‘olawe and will serve as the foundation for the future restoration of the island.

In 2013, the Kaho‘olawe island reserve commission embarked on the development of a 2026 strategic plan for Kaho‘olawe, which marked fifty years of occupation of Kaho‘olawe by the people of Hawaii and laid out a pathway for the future use and management of the Kaho‘olawe island reserve. After a two-year effort that engaged Hawaii’s residents through numerous community meetings and focus-group sessions held on multiple occasions on each of the islands, the multi-organizational Kaho‘olawe strategic planning working group developed an island-wide, community-based strategic plan, entitled “I Ola Kanaloa”, or “Life to Kanaloa”, that addressed the future restoration, management, and uses of Kaho‘olawe for the State, the people of Hawaii, and a possible future sovereign Native Hawaiian entity. Additionally, in 2016, the Kaho‘olawe island reserve commission submitted a detailed financial self-sufficiency and sustainability plan to establish the necessary baseline level of funding needed to continue work on Kaho‘olawe.

Act 49, Session Laws of Hawaii 2017, provided general funds and authorized fifteen positions for fiscal years 2017-2018 and 2018-2019. These funds allowed the Kaho‘olawe island reserve commission to continue its mission in the near term but was only enough to support staffing, Maui-based facilities, and Maui-based operations. Additional funding is needed to support Kaho‘olawe island reserve operations, safety, and infrastructure, as well as to restore the cultural resource project coordinator, a critical position needed to manage, protect, and restore the archaeological and historical resources of Kaho‘olawe. The island of Kaho‘olawe has been placed on the national register of historic places, and additional funding is needed to support the Kaho‘olawe island reserve commission’s mandate to act as the island burial council for Kaho‘olawe.

Pursuant to section 6K-9, Hawaii Revised Statutes, the management and control of the Kaho‘olawe island reserve will be transferred to a sovereign Native Hawaiian entity upon its recognition by the state and federal governments. This event is anticipated to occur within the time frame of the 2026 strategic plan. Without additional funding, the Kaho‘olawe island reserve commission will not be able to continue its innovative management regime. The Kaho‘olawe island reserve commission’s management and control of Kaho‘olawe is not only restoring the ecological damage on Kaho‘olawe and protecting its endangered and rare flora and fauna, but is also ensuring that the people of Hawaii can safely visit the Kaho‘olawe island reserve.

The purpose of this Act is to provide funds to the department of land and natural resources for the Kaho‘olawe island reserve commission to effectively meet the unique challenges of restoring, preserving, and determining the appropriate uses of the Kaho‘olawe island reserve for the people of Hawaii.

SECTION 2. There is appropriated out of the general revenues of the State of Hawaii the sum of \$100,000 or so much thereof as may be necessary for fiscal year 2018-2019 in natural and physical environment (LNR906) for the Kaho'olawe island reserve commission to restore, preserve, and determine the appropriate uses of the Kaho'olawe island reserve for the people of Hawaii.

The sum appropriated shall be expended by the department of land and natural resources for the purposes of this Act.

SECTION 3. There is appropriated out of the general revenues of the State of Hawaii the sum of \$53,000 or so much thereof as may be necessary for fiscal year 2018-2019 to fund one full-time equivalent (1.0 FTE) permanent cultural resource project coordinator position in natural and physical environment (LNR906) for the Kaho'olawe island reserve commission to restore, preserve, and determine the appropriate uses of the Kaho'olawe island reserve for the people of Hawaii.

The sum appropriated shall be expended by the department of land and natural resources for the purposes of this Act.

SECTION 4. This Act shall take effect on July 1, 2018.

(Approved July 5, 2018.)

ACT 141

S.B. NO. 3000

A Bill for an Act Relating to Innovation Business.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that in order to keep our community vibrant and our economy expanding, Hawaii will need to focus on sectors that will bring new dollars to Hawaii's economy. A research innovation sector that fosters a research environment to fuel innovative ideas and promote entrepreneurship will better position Hawaii for future economic growth and expansion. There is no question that innovation as a result of research and development contributes greatly to economic growth. It is oftentimes the catalyst for change, job creation, and a higher standard of living. Expanding Hawaii's research and development industry will bring in new dollars to our State's economy and create a wide range of high-skilled, high-paying jobs for our young people so they may continue to live and work in Hawaii. The research and development sector is vital to Hawaii's future economic growth.

The purpose of this Act is to build on the successes of Hawaii's science and technology industries and establish a research and development program and a research and development special fund with the intention of turning research and development into commercially viable products and services to expand and diversify Hawaii's economy.

SECTION 2. Chapter 206M, Hawaii Revised Statutes, is amended by adding two new sections to be appropriately designated and to read as follows:

“§206M-A Research and development program established. (a) There is established within the development corporation, the research and development program, to help Hawaii-based small businesses optimize research and development performed in Hawaii.

(b) Subject to available funds, the research and development program shall:

- (1) Apply the research and development special fund to support product development, technology transfer, and commercialization;

- (2) Provide capital to support accelerated commercialization activities for qualified Hawaii-based small businesses;
- (3) Provide capital to sustain high-potential infrastructure development to assist qualified Hawaii-based small businesses towards commercial success;
- (4) Promote efforts that reverse the loss of qualified workers to other states by providing jobs to retain existing Hawaii technology employees and enable highly qualified scientists and engineers to return to living-wage jobs in Hawaii;
- (5) Promote efforts that keep technology companies in Hawaii by limiting the need to seek out-of-state venture capital, which dilutes local ownership and increases the probability of high-potential technology companies moving from Hawaii; and
- (6) Provide grants of up to \$300,000 for critical product development that enables a qualified Hawaii-based small business to achieve significant product development and technical milestones.

(c) To receive funding, a Hawaii-based small business shall submit to the development corporation proof of the federal research and development tax credits received. Proof shall be in the form of copies of the small business Internal Revenue Service Form 6765 Credit for Increasing Research Activities as filed. The business shall be eligible to receive a grant in an amount equal to the average of the federal tax credit for the prior three tax years.

(d) In reviewing grant applications pursuant to this section, the development corporation shall analyze each application to determine whether the item to be undertaken will be economically viable and beneficial to the State.

(e) The development corporation may adopt rules pursuant to chapter 91 necessary to carry out the purposes of this section.

(f) For purposes of this section:

“Hawaii-based small business” means a company:

- (1) Headquartered in the State;
- (2) Doing business in the State for not less than five years; and
- (3) Employing fifteen or more residents with income subject to taxation pursuant to chapter 235.

“Resident” shall have the same meaning as in section 235-1.

§206M-B Research and development special fund; established. There is established in the treasury of the State of Hawaii the research and development special fund to be administered by the development corporation pursuant to section 206M-A.”

SECTION 3. There is appropriated out of the general revenues of the State of Hawaii the sum of \$1,000,000 or so much thereof as may be necessary for fiscal year 2018-2019 to be deposited into the research and development special fund.

SECTION 4. There is appropriated out of the research and development special fund the sum of \$1,000,000 or so much thereof as may be necessary for fiscal year 2018-2019 for the purposes set out in section 206M-A, Hawaii Revised Statutes.

The sum appropriated shall be expended by the Hawaii technology development corporation for the purposes of this Act.

SECTION 5. In codifying the new sections added by section 2 of this Act, the revisor of statutes shall substitute appropriate section numbers for the letters used in designating the new sections in this Act.

ACT 142

SECTION 6. New statutory material is underscored.¹

SECTION 7. This Act shall take effect on July 1, 2018.

(Approved July 5, 2018.)

Note

1. Edited pursuant to HRS §23G-16.5.

ACT 142

S.B. NO. 2693

A Bill for an Act Relating to the Festival Of Pacific Arts.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that the festival of pacific arts has been held approximately every four years since its founding in 1972, bringing together a delegation of at least two thousand five hundred artists, performers, and cultural practitioners from different nations in Oceania to preserve and perpetuate the arts and cultures of their indigenous peoples. The festival of pacific arts is the largest gathering in which Pacific peoples unite to respect and appreciate one another, and during the festival, delegations from twenty-seven Pacific island nations and territories share and exchange their cultures. Visitors from around the world attend the festival of pacific arts to appreciate what the artists, performers, cultural practitioners, and host country have to offer, thereby creating a global market for art, ideas, and products.

The legislature further finds that Hawaii, for the first time, has been selected to host the festival of pacific arts in 2020, and in preparation, a temporary commission on the thirteenth festival of pacific arts was established by Act 104, Session Laws of Hawaii 2017.

The purpose of this Act is to appropriate funds for the commission to plan for the thirteenth festival of pacific arts in 2020.

SECTION 2. There is appropriated out of the general revenues of the State of Hawaii the sum of \$950,000 or so much thereof as may be necessary for fiscal year 2018-2019 for the commission to plan for the festival of pacific arts to be held in Honolulu from June 11 to June 27, 2020.

The sum appropriated shall be expended by the department of business, economic development, and tourism for the purposes of this Act.

SECTION 3. This Act shall take effect on July 1, 2018.

(Approved July 5, 2018.)

ACT 143

S.B. NO. 3077

A Bill for an Act Relating to Biofuels.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that the State of Hawaii has set a goal of achieving one hundred per cent clean energy by the year 2045. Hawaii is the most fossil fuel dependent state in the nation, which can be explained in large part by the State's economic dependence on tourism and the military, as well as the reliance on the shipping industry to deliver consumer goods and industrial materials. Reducing Hawaii's reliance on fossil fuels and getting one hundred per cent of the State's energy from renewable resources will help Hawaii's economy

by keeping an estimated \$3,000,000 in the State that would otherwise be spent on imported oil.

Biofuels could significantly advance the State's clean energy goals. Biofuels use organic matter to produce a predictable supply of green energy that can be stored in presently used power plants and consumed locally by air, marine, and ground transportation. Additionally, biofuels can be locally produced, directly creating job growth in Hawaii's energy, farming, and manufacturing industries. In May of 2016, the sustainable biodiesel alliance provided a Pacific Biodiesel plant with the first United States-based certification of sustainability for a biodiesel plant. This certification demonstrates that investing in biofuel technology can lead to increases in the technology's efficiency, profitability, and sustainability as a renewable energy source.

Act 202, Session Laws of Hawaii 2016, created a nonrefundable tax credit for the production of renewable fuels, including biodiesel, to be implemented through 2021. According to Pacific Biodiesel President Robert King, Act 202, Session Laws of Hawaii 2016, will encourage investment in renewable fuel production in Hawaii, create jobs, provide clean energy security, and fight climate change. In 2017, the legislature unanimously adopted S.C.R. No. 121, Regular Session of 2017, calling for a Hawaii green fuels initiative to increase jobs and local food and biofuel feedstock production across the State.

Furthermore, increasing biofuel production may increase food security for Hawaii. Currently, nearly ninety per cent of Hawaii's food is imported, making Hawaii's population especially vulnerable to shipping and food supply disruptions resulting from natural disasters and other global events. Research conducted by the World Bank in 2010 and ABF Economics in 2013 found no direct correlation between biofuels and elevated food prices. Therefore, investing in biofuel production can improve agricultural development and crop yields that are important to Hawaii's food security without increasing costs for consumers.

The purpose of this Act is to expand the availability of the renewable fuels production tax credit by lowering the production threshold and expanding the types of renewable fuel eligible for the credit.

SECTION 2. Section 235-110.31, Hawaii Revised Statutes, is amended as follows:

1. By amending subsection (a) to read:

“(a) As used in this section:

“Credit period” means a maximum period of five consecutive years, beginning from the first taxable year in which a taxpayer begins renewable fuels production at a level of at least ~~[fifteen]~~ two billion five-hundred million British thermal units of renewable fuels per calendar year.

“Net income tax liability” means income tax liability reduced by all other credits allowed under this chapter.

“Renewable feedstocks” means:

- (1) Biomass crops[;] and other renewable organic material, including but not limited to logs, wood chips, wood pellets, and wood bark;
- (2) Agricultural residues;
- (3) Oil crops, including but not limited to algae, canola, jatropha, palm, soybean, and sunflower;
- (4) Sugar and starch crops, including but not limited to sugar cane and cassava;
- (5) Other agricultural crops;
- (6) Grease and waste cooking oil;
- (7) Food wastes;
- (8) Municipal solid wastes and industrial wastes;

- (9) Water; and
 - (10) Animal residues and wastes,
- that can be used to generate energy.

“Renewable fuels” means fuels produced from renewable feedstocks, provided that the fuel:

- (1) Is sold as a fuel in Hawaii; and
- (2) Meets the relevant ASTM International specifications or other industry specifications for the particular fuel, including but not limited to:
 - (A) Methanol, ethanol, or other alcohols;
 - (B) Hydrogen;
 - (C) Biodiesel or renewable diesel;
 - (D) Biogas;
 - (E) Other biofuels; [øø]
 - (F) Renewable jet fuel or renewable gasoline[-]; or
 - (G) Logs, wood chips, wood pellets, or wood bark.”

2. By amending subsection (b) to read:

“(b) Each year during the credit period, there shall be allowed to each taxpayer subject to the taxes imposed by this chapter, a renewable fuels production tax credit that shall be applied to the taxpayer’s net income tax liability, if any, imposed by this chapter for the taxable year in which the credit is properly claimed.

For each taxpayer producing renewable fuels, the annual dollar amount of the renewable fuels production tax credit during the five-year credit period shall be equal to 20 cents per seventy-six thousand British thermal units of renewable fuels using the lower heating value sold for distribution in Hawaii; provided that the taxpayer’s production of renewable fuels is not less than ~~fifteen~~ two billion five hundred million British thermal units of renewable fuels per calendar year; provided further that the amount of the tax credit claimed under this section by a taxpayer shall not exceed \$3,000,000 per taxable year. No other tax credit may be claimed under this chapter for the costs incurred in producing the renewable fuels that are used to properly claim a tax credit under this section for the taxable year.”

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect upon its approval; provided that section 2 of this Act shall apply to taxable years beginning after December 31, 2017.

(Approved July 5, 2018.)

ACT 144

S.B. NO. 122

A Bill for an Act Relating to Mental Health.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The purpose of this Act is to ensure that when an individual with a mental health emergency is subject to certain procedures and actions, sufficient notice is given to designated family members and other interested persons of the proceedings and actions and the individual’s whereabouts.

SECTION 2. Chapter 334, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

“§334- Notice of admissions, examinations, and hospitalizations. Notice of an individual’s emergency admission, examination, and hospitalization under this chapter may be given to at least one of the following persons in the following order of priority: the individual’s spouse or reciprocal beneficiary, legal parents, adult children, legal guardian, if one has been appointed, or if none can be found, the closest adult relative, as long as the individual:

- (1) Has capacity to make health care decisions and agrees;
- (2) Is given the opportunity to object and does not object, or the health care provider can reasonably infer from the circumstances based on the exercise of professional judgment that the individual does not object; or
- (3) Is incapacitated or an emergency circumstance exists and the health care provider determines based on the exercise of professional judgment that doing so is in the best interest of the individual.”

SECTION 3. Section 334-60.3, Hawaii Revised Statutes, is amended to read as follows:

“§334-60.3 Initiation of proceeding for involuntary hospitalization. (a) Any person may file a petition alleging that a person located in the county meets the criteria for commitment to a psychiatric facility. The petition shall be executed subject to the penalties of perjury but need not be sworn to before a notary public. The attorney general, the attorney general’s deputy, special deputy, or appointee designated to present the case shall assist the petitioner to state the substance of the petition in plain and simple language. The petition may be accompanied by a certificate of the licensed physician, advanced practice registered nurse, or psychologist who has examined the person within two days before submission of the petition, unless the person whose commitment is sought has refused to submit to medical or psychological examination, in which case the fact of refusal shall be alleged in the petition. The certificate shall set forth the signs and symptoms relied upon by the physician, advanced practice registered nurse, or psychologist to determine the person is in need of care or treatment, or both, and whether ~~or not~~ the person is capable of realizing and making a rational decision with respect to the person’s need for treatment. If the petitioner believes that further evaluation is necessary before commitment, the petitioner may request such further evaluation.

(b) In the event the subject of the petition has been given an examination, evaluation, or treatment in a psychiatric facility within five days before submission of the petition, and hospitalization is recommended by the staff of the facility, the petition may be accompanied by the administrator’s certificate in lieu of a physician’s or psychologist’s certificate.

(c) The petition shall include the name, address, and telephone number of at least one of the following persons in the following order of priority: the subject of the petition’s spouse or reciprocal beneficiary, legal parents, adult children, and legal guardian, if one has been appointed. If the subject of the petition has no living spouse or reciprocal beneficiary, legal parent, adult children, or legal guardian, or if none can be found, notice shall be served on at least one of the subject’s closest adult relatives, if any can be found.”

SECTION 4. Section 334-60.4, Hawaii Revised Statutes, is amended to read as follows:

“§334-60.4 Notice; waiver of notice; hearing on petition; waiver of hearing on petition for involuntary hospitalization. (a) The court shall set a hearing on the petition and notice of the time and place of ~~sueh~~ the hearing shall be served in accordance with, and to those persons specified in, a current order of com-

mitment. If there is no current order of commitment, notice of the hearing shall be served personally on the subject of the petition and served personally or by certified or registered mail, return receipt requested, deliverable to the addressee only, on the subject's spouse or reciprocal beneficiary, legal parents, adult children, and legal guardian, if one has been appointed. If the subject of the petition has no living spouse or reciprocal beneficiary, legal parent ~~and~~, adult children, or legal guardian, or if none can be found, notice of the hearing shall be served on at least one of the subject's closest adult relatives, if any can be found. Notice of the hearing shall also be served on the public defender, attorney for the subject of the petition, or other court-appointed attorney as the case may be. If the subject of the petition is a minor, notice of the hearing shall also be served upon the person who has had the principal care and custody of the minor during the sixty days preceding the date of the petition if ~~such~~ that person can be found within the State. Notice shall also be given to ~~such~~ other persons as the court may designate.

(b) The notice shall include the following:

- (1) The date, time, place of hearing, a clear statement of the purpose of the proceedings and of possible consequences to the subject; and a statement of the legal standard upon which commitment is authorized;
- (2) A copy of the petition;
- (3) A written notice, in plain and simple language, that the subject may waive ~~such a~~ the hearing by voluntarily agreeing to hospitalization, or with the approval of the court, to some other form of treatment;
- (4) A filled-out form indicating such waiver;
- (5) A written notice, in plain and simple language, that the subject or the subject's guardian or representative may apply at any time for a hearing on the issue of the subject's need for hospitalization, if the subject has previously waived such a hearing;
- (6) Notice that the subject is entitled to the assistance of an attorney and that the public defender has been notified of these proceedings;
- (7) Notice that if the subject does not want to be represented by the public defender, the subject may contact the subject's own attorney; and
- (8) ~~[Notice, if such be the case,]~~ If applicable, notice that the petitioner intends to adduce evidence to show that the subject of the petition is an incapacitated or protected person, or both, under article V of chapter 560, and whether ~~or not~~ appointment of a guardian is to be recommended, and a nominee is known at the time the petition is filed, the identity of the nominee shall be disclosed.

(c) If the subject executes and files a waiver of the hearing, upon acceptance by the court following a court determination that the person understands the person's rights and is competent to waive them, the court shall order the subject to be committed to a facility that has agreed to admit the subject as an involuntary patient or, if the subject is at such a facility, that the subject be retained there.

(d) Notice of adjournments, continuances, other delays, dates of rescheduled hearings, and waivers of the hearing under subsection (c) shall also be served on the persons specified in subsection (a)."

SECTION 5. Section 334-60.5, Hawaii Revised Statutes, is amended to read as follows:

“§334-60.5 Hearing on petition. (a) The court ~~[may]~~ shall adjourn or continue a hearing for failure to timely notify ~~[a]~~ the subject of the petition's spouse or reciprocal beneficiary, legal parents, adult children, guardian, or relative, or other person determined by the court to be entitled to notice, or for failure by the subject to contact an attorney as provided in section 334-60.4(b)(7) ~~[if]~~ unless the court determines that the interests of justice ~~[sø]~~ require ~~[-]~~ that the hearing continue without adjournment or continuance.

(b) The time and form of the procedure incident to hearing the issues in the petition shall be provided by court rule. Unless the hearing is waived, the judge shall hear the petition as soon as possible and no later than ten days after the date the petition is filed unless a reasonable delay is sought for good cause shown by the subject of the petition, the subject's attorney, or those persons entitled to receive notice of the hearing under section 334-60.4.

(c) The subject of the petition shall be present at all hearings unless the subject waives the right to be present, is unable to attend, or creates conditions ~~[which]~~ that make it impossible to conduct the hearing in a reasonable manner as determined by the judge. A waiver is valid only upon acceptance by the court following a judicial determination that the subject understands the subject's rights and is competent to waive them, or is unable to participate. If the subject is unable to participate, the judge shall appoint a guardian ad litem or a temporary guardian as provided in article V of chapter 560, to represent the subject throughout the proceedings.

(d) Hearings may be held at any convenient place within the circuit. The subject of the petition, any interested party, or the court on its own motion may request a hearing in another circuit because of convenience to the parties, witnesses, or the court or because of the individual's mental or physical condition.

(e) The attorney general, the attorney general's deputy, special deputy, or appointee shall present the case for hearings convened under this chapter, except that the attorney general, the attorney general's deputy, special deputy, or appointee need not participate in or be present at a hearing whenever a petitioner or some other appropriate person has retained private counsel who will be present in court and will present to the court the case for involuntary hospitalization.

(f) Counsel for the subject of the petition shall be allowed adequate time for investigation of the matters at issue and for preparation, and shall be permitted to present the evidence that the counsel believes necessary to a proper disposition of the proceedings, including evidence as to alternatives to inpatient hospitalization.

(g) No individual may be found to require treatment in a psychiatric facility unless at least one physician, advanced practice registered nurse, or psychologist who has personally examined the individual testifies in person at the hearing. This testimony may be waived by the subject of the petition. If the subject of the petition has refused to be examined by a licensed physician, advanced practice registered nurse, or psychologist, the subject may be examined by a court-appointed licensed physician, advanced practice registered nurse, or psychologist. If the subject refuses and there is sufficient evidence to believe that the allegations of the petition are true, the court may make a temporary order committing the subject to a psychiatric facility for a period of ~~[not]~~ no more than five days for the purpose of a diagnostic examination and evaluation. The subject's refusal shall be treated as a denial that the subject is mentally ill or suffering from substance abuse. Nothing in this section ~~[-, however,]~~ shall limit the individual's privilege against self-incrimination.

(h) The subject of the petition in a hearing under this section has the right to secure an independent medical or psychological evaluation and present evidence thereon.

(i) If after hearing all relevant evidence, including the result of any diagnostic examination ordered by the court, the court finds that an individual is not a person requiring medical, psychiatric, psychological, or other rehabilitative treatment or supervision, the court shall order that the individual be discharged if the individual has been hospitalized prior to the hearing.

(j) If the court finds that the criteria for involuntary hospitalization under section 334-60.2(1) has been met beyond a reasonable doubt and that the criteria under sections 334-60.2(2) and 334-60.2(3) have been met by clear and convincing evidence, the court may issue an order to any law enforcement officer to deliver the subject to a facility that has agreed to admit the subject as an involuntary patient, or if the subject is already a patient in a psychiatric facility, authorize the facility to retain the patient for treatment for a period of ninety days unless sooner discharged. The court may also authorize the involuntary administration of medication, where the subject has an existing order for assisted community treatment, issued pursuant to part VIII of this chapter, relating to assisted community treatment, and in accordance with the treatment prescribed by that prior order. Notice of the subject's commitment and the facility name and location where the subject will be committed shall be provided to those persons entitled to notice pursuant to section 334-60.4. An order of commitment shall specify which of those persons served with notice pursuant to section 334-60.4, together with such other persons as the court may designate, shall be entitled to receive any subsequent notice of intent to discharge, transfer, or recommit. The court shall forward to the Hawaii criminal justice data center all orders of involuntary civil commitment or information from all orders of involuntary civil commitment, as requested by the Hawaii criminal justice data center, which in turn shall forward the information to the Federal Bureau of Investigation, or its successor agency, for inclusion in the National Instant Criminal Background Check System database. The orders or information shall also be maintained by the Hawaii criminal justice data center for disclosure to and use by law enforcement officials for the purpose of firearms permitting or registration pursuant to chapter 134. This subsection shall apply to all involuntary civil commitments without regard to the date of the involuntary civil commitment.

(k) The court may find that the subject of the petition is an incapacitated or protected person, or both, under article V of chapter 560, and may appoint a guardian or conservator, or both, for the subject under the terms and conditions as the court shall determine.

(l) Persons entitled to notice are also entitled to be present in the courtroom for the hearing and to receive a copy of the hearing transcript or recording, unless the court determines that the interests of justice require otherwise."

SECTION 6. Section 334-60.7, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) [~~For civil commitments that result directly from legal proceedings under chapters 704 and 706, when~~] When the administrator or attending physician of a psychiatric facility contemplates discharge of an involuntary patient because of expiration of the court order for commitment or because the patient is no longer a proper subject for commitment, as determined by the criteria for involuntary hospitalization in section 334-60.2, the administrator or attending physician shall provide notice of intent to discharge, or if the patient voluntarily agrees to further hospitalization, the administrator shall provide notice of the patient's admission to voluntary inpatient treatment. The following requirements and procedures shall apply:

- (1) The notice and a certificate of service shall be filed with the family court and served on those persons whom the order of commit-

ment specifies as entitled to receive notice, by mail at the person's last known address. Notice shall also be sent to the prosecuting attorney of the county from which the person was originally committed, by facsimile or electronically, for the sole purpose of victim notification;

- (2) Any person specified as entitled to receive notice may waive this right in writing with the psychiatric facility;
- (3) If no objection is filed within five calendar days of mailing the notice, the administrator or attending physician of the psychiatric facility shall discharge the patient or accept the patient for voluntary inpatient treatment;
- (4) If any person specified as entitled to receive notice files a written objection, with a certificate of service, to the discharge or to the patient's admission to voluntary inpatient treatment on the grounds that the patient is a proper subject for commitment, the family court shall conduct a hearing as soon as possible, prior to the termination of the current commitment order, to determine if the patient still meets the criteria for involuntary hospitalization in section 334-60.2. The person filing the objection shall also notify the psychiatric facility by telephone on the date the objection is filed;
- (5) If the family court finds that the patient does not meet the criteria for involuntary hospitalization in section 334-60.2, the court shall issue an order of discharge from the commitment; and
- (6) If the family court finds that the patient does meet the criteria for involuntary hospitalization in section 334-60.2, the court shall issue an order denying discharge from the commitment."

SECTION 7. Section 334-82, Hawaii Revised Statutes, is amended to read as follows:

"§334-82 Order to show cause; guardian ad litem. Immediately upon receipt of a request, the court shall issue an order to show cause directed to the administrator of the facility and commanding the administrator to show cause at a date and time certain ~~[not]~~ no later than five days thereafter why the patient should not be discharged ~~[forthwith]~~ immediately. A copy of the request shall be attached to the order to show cause. The form of the order to show cause shall be prescribed and supplied free of charge by the court. The order to show cause shall issue without cost and may be served as any other civil process or by any responsible person appointed by the court for that purpose. At any stage of the proceedings, the court may appoint a guardian ad litem for the patient. The guardian ad litem may be a member of the bar of the court or any other responsible person. Service on the administrator may be effected by leaving certified copies of the order to show cause and request at the facility with any person exercising authority. Notice of the order to show cause and the hearing date, and any adjournments, continuances, other delays, and dates of rescheduled hearings shall be provided to those persons entitled to notice pursuant to section 334-60.4."

SECTION 8. Section 334-84, Hawaii Revised Statutes, is amended to read as follows:

"§334-84 Order. If it is determined that the admission of the patient is regular and that the patient needs continued hospitalization, the court shall issue an order authorizing the detention of the patient at the facility. If it is de-

terminated that the admission of the patient is not regular or that the patient does not need continued hospitalization, the court shall issue an order requiring the immediate discharge of the patient from the facility. Notice of the detention or discharge shall be provided to those persons entitled to notice pursuant to section 334-60.4.”

SECTION 9. Section 334-123, Hawaii Revised Statutes, is amended to read as follows:

“§334-123 Initiation of proceeding for assisted community treatment. (a)

Any interested party may file a petition with the family court alleging that another person meets the criteria for assisted community treatment. The petition shall state:

- (1) Each of the criteria [~~numbered (1)~~] under section 334-121(1) through (7) for assisted community treatment[~~as set out in section 334-121~~];
- (2) Petitioner’s good faith belief that the subject of the petition meets each of the criteria [~~numbered (1)~~] under section 334-121(1) through (7) [~~set forth in section 334-121~~];
- (3) Facts [~~which~~] that support the petitioner’s good faith belief that the subject of the petition meets each of the criteria [~~numbered (1)~~] under section 334-121(1) through (7) [~~set forth in section 334-121~~]; and
- (4) That the subject of the petition is present within the county where the petition is filed.

The hearing on the petition need not be limited to the facts stated in the petition. The petition shall be executed subject to the penalties of perjury.

(b) The petition may be accompanied by a certificate of a licensed psychiatrist or advanced practice registered nurse with prescriptive authority and who holds an accredited national certification in an advanced practice registered nurse psychiatric specialization who has examined the subject of the petition within twenty calendar days prior to the filing of the petition. For purposes of the petition, an examination shall be considered valid so long as the licensed psychiatrist or advanced practice registered nurse with prescriptive authority and who holds an accredited national certification in an advanced practice registered nurse psychiatric specialization has obtained enough information from the subject of the petition to reach a diagnosis of the subject of the petition, and to express a professional opinion concerning the same, even if the subject of the petition is not fully cooperative.

(c) The petition shall include the name, address, and telephone number of at least one of the following persons in the following order of priority: the subject of the petition’s spouse or reciprocal beneficiary, legal parents, adult children, and legal guardian, if one has been appointed. If the subject of the petition has no living spouse or reciprocal beneficiary, legal parent, adult children, or legal guardian, or if none can be found, the petition shall include the name, address, and telephone number of at least one of the subject’s closest adult relatives, if any can be found.”

SECTION 10. Section 334-125, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

“(a) Notice of the hearing shall be:

- (1) Served personally on the subject of the petition pursuant to family court rules;
- (2) Served personally or by certified or registered mail, return receipt requested, deliverable to the addressee only, to as many as are known to the petitioner of the subject’s spouse or reciprocal beneficiary,

legal parents, adult children, and legal guardian, if one has been appointed[;]. If the subject of the petition has no living spouse or reciprocal beneficiary, legal parent, adult children, or legal guardian, or if none can be found, notice of the hearing shall be served on at least one of the subject's closest adult relatives, if any can be found;

- (3) Served on the public defender, attorney for the subject of the petition, or other court-appointed attorney as applicable; and
- (4) Given to ~~such~~ other persons as the court may designate.”

SECTION 11. Section 334-126, Hawaii Revised Statutes, is amended as follows:

1. By amending subsection (a) to read:

“(a) The court ~~may~~ shall adjourn or continue a hearing for failure to timely notify a person entitled to be notified[-] unless the court determines that the interests of justice require that the hearing continue without adjournment or continuance.”

2. By amending subsection (d) to read:

“(d) The hearing shall be closed to the public, unless the subject of the petition requests otherwise. Individuals entitled to notice are entitled to be present in the courtroom for the hearing and to receive a copy of the hearing transcript or recording, unless the court determines that the interests of justice require otherwise.”

SECTION 12. Section 334-127, Hawaii Revised Statutes, is amended by amending subsections (a) and (b) to read as follows:

“(a) If after hearing all relevant evidence, including the results of any diagnostic examination ordered by the family court, the family court finds that the subject of the petition does not meet the criteria for assisted community treatment, the family court shall dismiss the petition. Notice of the dismissal shall be provided to those persons entitled to notice pursuant to section 334-125.

(b) If after hearing all relevant evidence, including the results of any diagnostic examination ordered by the family court, the family court finds that the criteria for assisted community treatment under section 334-121(1) have been met beyond a reasonable doubt and that the criteria under section 334-121(2) to 334-121(7) have been met by clear and convincing evidence, the family court shall order the subject to obtain assisted community treatment for a period of ~~not~~ no more than one year. The written treatment plan submitted pursuant to section 334-126(h) shall be attached to the order and made a part of the order.

If the family court finds by clear and convincing evidence that the beneficial mental and physical effects of recommended medication outweigh the detrimental mental and physical effects, if any, the order may authorize types or classes of medication to be included in treatment at the discretion of the treating psychiatrist or advanced practice registered nurse with prescriptive authority and who holds an accredited national certification in an advanced practice registered nurse psychiatric specialization.

The court order shall also state who should receive notice of intent to discharge early in the event that the treating psychiatrist or advanced practice registered nurse with prescriptive authority and who holds an accredited national certification in an advanced practice registered nurse psychiatric specialization determines, prior to the end of the court ordered period of treatment, that the subject should be discharged early from assisted community treatment.

Notice of the order shall be provided to those persons entitled to notice pursuant to section 334-125.”

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SECTION 13. Section 334-129, Hawaii Revised Statutes, is amended to read as follows:

“§334-129 Failure to comply with assisted community treatment. (a) A treating psychiatrist or advanced practice registered nurse with prescriptive authority and who holds an accredited national certification in an advanced practice registered nurse psychiatric specialization may prescribe or administer to the subject of the order reasonable and appropriate medication or medications, if specifically authorized by the court order, and treatment ~~[which]~~ that is consistent with accepted medical standards and the family court order, including the written treatment plan submitted pursuant to section 334-126(h).

(b) No subject of the order shall be physically forced to take medication under a family court order for assisted community treatment unless the subject is within an emergency department or admitted to a hospital, subsequent to the date of the current assisted community treatment order.

(c) A subject may be transported to a designated mental health program, or a hospital emergency department, for failure to comply with an order for assisted community treatment via the following methods:

(1) By an interested party with the consent of the subject of the order;
or

(2) In accordance with section 334-59.

(d) The designated mental health program’s treating psychiatrist or advanced practice registered nurse with prescriptive authority and who holds an accredited national certification in an advanced practice registered nurse psychiatric specialization or designee of the psychiatrist or advanced practice registered nurse with prescriptive authority and who holds an accredited national certification in an advanced practice registered nurse psychiatric specialization shall make all reasonable efforts to solicit the subject’s compliance with the prescribed treatment. If the subject fails or refuses to comply after the efforts to solicit compliance, the treating psychiatrist or advanced practice registered nurse with prescriptive authority and who holds an accredited national certification in an advanced practice registered nurse psychiatric specialization shall assess whether the subject of the order meets criteria for admission to a psychiatric facility under part IV of this chapter, and proceed with the admission pursuant to section 334-59(a)(2) or (3); provided that the refusal of treatment shall not, by itself, constitute a basis for involuntary hospitalization.

(e) Notice of any transport or admission under this section shall be provided pursuant to section 334- .”

SECTION 14. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.¹

SECTION 15. This Act shall take effect on July 1, 2018.

(Approved July 6, 2018.)

Note

1. Edited pursuant to HRS §23G-16.5.

ACT 145

S.B. NO. 2087

A Bill for an Act Relating to Emergency Rescue Devices.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that in Hawaii nearly half of all non-resident fatal injuries are caused by drowning, and nearly eighty per cent of these drownings occur in the ocean. Although lifeguards work tirelessly to protect residents and visitors in Hawaii's oceans, many beaches throughout the State do not have lifeguards present. Warning signs deter many; however, one person each week on average drowns in the ocean in Hawaii. The use of rescue equipment makes a rescue safer for anyone attempting to assist a drowning victim. The primary piece of rescue equipment used by lifeguards is the rescue tube.

The legislature further finds that placement of rescue tubes on Kauai, and expanding throughout the State, has led to countless rescues of drowning victims. Rescue tubes are easy to use for ordinary citizens in rescuing victims and cost effective to provide on a widespread basis.

The purpose of this Act is to provide legal protections under the Good Samaritan Law for owners of premises on which rescue tubes are located and protections for rescuers who use rescue tubes, to guard against liability actions and to encourage placement and use of these lifesaving emergency rescue devices.

SECTION 2. Section 663-1.5, Hawaii Revised Statutes, is amended to read as follows:

"§663-1.5 Exception to liability. (a) Any person who in good faith renders emergency care, without remuneration or expectation of remuneration, at the scene of an accident or emergency to a victim of the accident or emergency shall not be liable for any civil damages resulting from the person's acts or omissions, except for such damages as may result from the person's gross negligence or wanton acts or omissions.

(b) No act or omission of any rescue team or physician working in direct communication with a rescue team operating in conjunction with a hospital or an authorized emergency vehicle of the hospital or the State or county, while attempting to resuscitate any person who is in immediate danger of loss of life, shall impose any liability upon the rescue team, the physicians, or the owners or operators of such hospital or authorized emergency vehicle, if good faith is exercised.

This section shall not relieve the owners or operators of the hospital or authorized emergency vehicle of any other duty imposed upon them by law for the designation and training of members of a rescue team or for any provisions regarding maintenance of equipment to be used by the rescue team or any damages resulting from gross negligence or wanton acts or omissions.

(c) Any physician or physician assistant licensed to practice under the laws of this State or any other state who in good faith renders emergency medical care in a hospital to a person, who is in immediate danger of loss of life, without remuneration or expectation of remuneration, shall not be liable for any civil damages, if the physician or physician assistant exercises that standard of care expected of similar physicians or physician assistants under similar circumstances. Any physician who supervises a physician assistant providing emergency medical care pursuant to this section shall not be required to meet the requirements set forth in chapter 453 regarding supervising physicians.

(d) Any person or other entity who as a public service publishes written general first aid information dealing with emergency first aid treatment, without remuneration or expectation of remuneration for providing this public service, shall not be liable for any civil damages resulting from the written publication of such first aid information except as may result from its gross negligence or wanton acts or omissions.

(e) Any person who in good faith, without remuneration or expectation of remuneration, attempts to resuscitate a person in immediate danger of loss of life when administering any automated external defibrillator, regardless of where the automated external defibrillator that is used is located, shall not be liable for any civil damages resulting from any act or omission except as may result from the person's gross negligence or wanton acts or omissions.

Any person, including an employer, who provides for an automated external defibrillator or an automated external defibrillator training program shall not be vicariously liable for any civil damages resulting from any act or omission of the persons or employees who, in good faith and without remuneration or the expectation of remuneration, attempt to resuscitate a person in immediate danger of loss of life by administering an automated external defibrillator, except as may result from a person's or employer's gross negligence or wanton acts or omissions.

(f) Any physician or physician assistant who administers an automated external defibrillator program without remuneration or expectation of remuneration shall not be liable for any civil damages resulting from any act or omission involving the use of an automated external defibrillator, except as may result from the physician's or physician assistant's gross negligence or wanton acts or omissions.

(g) Any person who in good faith, without remuneration or expectation of remuneration, attempts to rescue a person in immediate danger of loss of life by use of a rescue tube, regardless of where the rescue tube that is used is located, shall not be liable for any civil damages resulting from any act or omission except as may result from the person's gross negligence or wanton acts or omissions.

The owner or operator of any premises, property, or facility that is adjacent to navigable waters, where a rescue tube is located shall not be liable for any civil damages resulting from any act or omission relating to the storage, maintenance, or use of the rescue tube.

~~(g)~~ (h) This section shall not relieve any person, physician, physician assistant, or employer of:

- (1) Any other duty imposed by law regarding the designation and training of persons or employees;
- (2) Any other duty imposed by provisions regarding the maintenance of equipment to be used for resuscitation; or
- (3) Liability for any damages resulting from gross negligence, or wanton acts or omissions.

~~(h)~~ (i) For the purposes of this section:

"Automated external defibrillator program" means an appropriate training course that includes cardiopulmonary resuscitation and proficiency in the use of an automated external defibrillator.

"Good faith" includes but is not limited to a reasonable opinion that the immediacy of the situation is such that the rendering of care should not be postponed.

"Rescue team" means a special group of physicians, basic life support personnel, advanced life support personnel, surgeons, nurses, volunteers, or employees of the owners or operators of the hospital or authorized emergency vehicle who have been trained in basic or advanced life support and have been

designated by the owners or operators of the hospital or authorized emergency vehicle to attempt to provide such support and resuscitate persons who are in immediate danger of loss of life in cases of emergency.

“Rescue tube” means a flotation device used for water rescues that helps support the victim’s and rescuer’s weight.”

SECTION 3. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

SECTION 4. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 5. This Act shall take effect upon its approval.

(Approved July 6, 2018.)

ACT 146

H.B. NO. 1916

A Bill for an Act Relating to Health.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Alzheimer’s disease is the sixth leading cause of death in the United States. An estimated twenty-seven thousand individuals in Hawaii currently live with Alzheimer’s disease and dementia, and about sixty-six thousand unpaid family caregivers care for those individuals. By 2025, the number of individuals with Alzheimer’s disease is expected to increase to thirty-five thousand.

In 2013, the department of health executive office on aging issued the state plan on Alzheimer’s disease and related dementias. The plan set forth a course of action to improve the quality of life for individuals with Alzheimer’s disease and related dementias.

The five goals of the state plan on Alzheimer’s disease and related dementias are:

- (1) Prevent and effectively treat Alzheimer’s disease by the year 2025;
- (2) Enhance care quality and efficiency;
- (3) Expand supports for individuals with Alzheimer’s disease and their families;
- (4) Enhance public awareness and engagement; and
- (5) Improve data to track progress.

The plan was envisioned to be “a living document that will be updated annually”. However, although stakeholders to the plan, including the executive office on aging, met in 2015, 2016, and 2017, an update to the plan has not yet been issued and resources are needed to further the efforts specified by the plan.

The purpose of this Act is to require the executive office on aging to:

- (1) Biennially update the state plan on Alzheimer’s disease and related dementias and include information on progress made toward the plan goals in its annual report to the legislature; and
- (2) Set forth, as part of the biennial updates to the state plan on Alzheimer’s disease and related dementias, a work plan specifying the tasks, timelines, and milestones for each goal of the state plan on Alzheimer’s disease and related dementias,

so that the State may properly prepare for the expected increase in individuals with Alzheimer’s disease and related dementias.

SECTION 2. Chapter 349, Hawaii Revised Statutes, is amended by adding a new section to part I to be appropriately designated and to read as follows:

“§349- Alzheimer’s disease and related dementias state plan. (a) The executive office on aging shall prepare an update of the state plan on Alzheimer’s disease and related dementias no less frequently than once per fiscal biennium. The executive office on aging shall include information on progress made toward the goals of the state plan in its annual report to the legislature.

(b) The update report shall include:

- (1) An implementation work plan specifying the tasks, timelines, and milestones for each goal along with parties assigned to each task;
- (2) Efforts taken by the State to achieve the goals and strategies identified in the most recent state plan on Alzheimer’s disease and related dementias;
- (3) Recommendations for state policy relating to Alzheimer’s disease and dementias; and
- (4) A review of services initiated and coordinated among public and private agencies to meet the needs of persons with Alzheimer’s disease and related dementias and their families.

(c) In preparing the update report, the executive office on aging shall review the most recent state plan on Alzheimer’s disease and related dementias for appropriateness and revise the plan as necessary. In determining the appropriateness of the current plan, the executive office on aging shall solicit input from task forces and working groups formed to address Alzheimer’s disease and related dementias, families affected by Alzheimer’s disease and related dementias, and members of the medical community.”

SECTION 3. New statutory material is underscored.¹

SECTION 4. This Act shall take effect upon its approval.

(Approved July 6, 2018.)

Note

1. Edited pursuant to HRS §23G-16.5.

ACT 147

H.B. NO. 1906

A Bill for an Act Relating to Health Care Workers.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 707-711, Hawaii Revised Statutes, is amended by amending subsection (1) to read as follows:

- “(1) A person commits the offense of assault in the second degree if:
- (a) The person intentionally, knowingly, or recklessly causes substantial bodily injury to another;
 - (b) The person recklessly causes serious bodily injury to another;
 - (c) The person intentionally or knowingly causes bodily injury to a correctional worker, as defined in section 710-1031(2), who is engaged in the performance of duty or who is within a correctional facility;
 - (d) The person intentionally or knowingly causes bodily injury to another with a dangerous instrument;

- (e) The person intentionally or knowingly causes bodily injury to an educational worker who is engaged in the performance of duty or who is within an educational facility. For the purposes of this paragraph, “educational worker” means any administrator, specialist, counselor, teacher, or employee of the department of education or an employee of a charter school; a person who is a volunteer, as defined in section 90-1, in a school program, activity, or function that is established, sanctioned, or approved by the department of education; or a person hired by the department of education on a contractual basis and engaged in carrying out an educational function;
- (f) The person intentionally or knowingly causes bodily injury to any emergency medical services provider who is engaged in the performance of duty. For the purposes of this paragraph, “emergency medical services provider” means emergency medical services personnel, as defined in section 321-222, and physicians, physician’s assistants, nurses, nurse practitioners, certified registered nurse anesthetists, respiratory therapists, laboratory technicians, radiology technicians, and social workers, providing services in the emergency room of a hospital;
- (g) The person intentionally or knowingly causes bodily injury to a person employed at a state-operated or -contracted mental health facility. For the purposes of this paragraph, “a person employed at a state-operated or -contracted mental health facility” includes health care professionals as defined in section 451D-2, administrators, orderlies, security personnel, volunteers, and any other person who is engaged in the performance of a duty at a state-operated or -contracted mental health facility;
- (h) The person intentionally or knowingly causes bodily injury to a person who:
 - (i) The defendant has been restrained from, by order of any court, including an ex parte order, contacting, threatening, or physically abusing pursuant to chapter 586; or
 - (ii) Is being protected by a police officer ordering the defendant to leave the premises of that protected person pursuant to section 709-906(4), during the effective period of that order; [øø]
- (i) The person intentionally or knowingly causes bodily injury to any firefighter or water safety officer who is engaged in the performance of duty. For the purposes of this paragraph, “firefighter” has the same meaning as in section 710-1012 and “water safety officer” means any public servant employed by the United States, the State, or any county as a lifeguard or person authorized to conduct water rescue or ocean safety functions[-];
- (j) The person intentionally or knowingly causes bodily injury to a person who is engaged in the performance of duty at a health care facility as defined in section 323D-2. For purposes of this paragraph, “a person who is engaged in the performance of duty at a health care facility” shall include health care professionals as defined in section 451D-2, physician assistants, surgical assistants, advanced practice registered nurses, nurse aides, respiratory therapists, laboratory technicians, and radiology technicians;
- (k) The person intentionally or knowingly causes bodily injury to a person who is engaged in providing home health care services, as defined in section 431:10H-201; or

- (l) The person intentionally or knowingly causes bodily injury to a person, employed or contracted to work by a mutual benefit society, as defined in section 432:1-104, to provide case management services to an individual in a hospital, health care provider's office, or home, while that person is engaged in the performance of those services."

SECTION 2. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect upon its approval.

(Approved July 6, 2018.)

ACT 148

H.B. NO. 1911

A Bill for an Act Relating to Health.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Chapter 321, Hawaii Revised Statutes, is amended by adding six new sections to be appropriately designated and to read as follows:

“§321-A Investigations. Upon receiving a report that a person, corporation, or any other entity may be operating a care facility without a certificate or license as required by law and issued by the department of health, or that a home or any type of living arrangement may be operating as a care facility without a certificate or license as required by law and issued by the department, the department may conduct an investigation for the limited purposes of determining whether the person or entity is operating without a required certificate or license in accordance with the following provisions:

- (1) The department may request access to the location indicated in the report; or
- (2) The department may file a complaint with the district court in the circuit of the location indicated in the report, and the district court, upon a finding of probable cause, may issue a search warrant directed to the department and the appropriate county police department, if necessary, to investigate the location pursuant to this section between the hours of sunrise and sunset.

§321-B Action upon investigation. Upon investigation, the department may take action on confirmed findings that the subject of a report is operating a care facility without the required certificate or license and may do any or all of the following:

- (1) Resolve the matter in an informal fashion as is appropriate under the circumstances;
- (2) Exercise the department's right of entry under section 321-C;
- (3) File a petition with the district court for enforcement, protective, or remedial action; or
- (4) Pursue any protective or remedial actions authorized by law.

§321-C Right of entry. The department, when engaged in an investigation pursuant to section 321-A, may visit and communicate with any person operating the facility, home, or other type of living arrangement that is the subject of a report. Any person intentionally or knowingly obstructing or interfering with the department's right of entry, the department's investigation of a report of operating without a certificate or license, or the department's communication with a vulnerable person reported to be receiving care from an uncertified or unlicensed operator shall be guilty of a misdemeanor.

§321-D Penalty. Any person who intentionally operates a care facility without a certificate or license shall be guilty of a misdemeanor and shall be fined no more than:

- (1) \$100 for each day of uncertified or unlicensed operation for the first violation;
- (2) \$500 for each day of uncertified or unlicensed operation for the second violation; and
- (3) \$1,000 for each day of uncertified or unlicensed operation for the third and each succeeding violation.

§321-E Referral or transfers to uncertified or unlicensed care facility; penalty. (a) It shall be unlawful for a certified or licensed healthcare provider or certified or licensed care facility to knowingly refer or transfer patients to an uncertified or unlicensed care facility. The department may impose a fine on any certified or licensed healthcare provider or certified or licensed care facility that knowingly refers or transfers patients to a care home, agency, or facility operating without a certificate or license as required by law; provided that the fine shall be no more than:

- (1) \$500 for the first violation;
- (2) \$1,000 for the second violation; and
- (3) \$2,000 for the third and each succeeding violation.

(b) Notwithstanding subsection (a) to the contrary, the healthcare provider or healthcare facility shall not be fined under this section if:

- (1) A patient or anyone authorized to make decisions on behalf of the patient requests to be transferred to an uncertified or unlicensed care facility;
- (2) The care facility becomes uncertified or unlicensed after a referral or transfer; or
- (3) The healthcare provider or healthcare facility refers or transfers a patient in good faith to a care facility, without actual proof or knowledge that the care facility is uncertified or unlicensed.

§321-F Exclusion. For purposes of this chapter, a landlord, as defined in section 521-8, shall not be deemed to be providing home care services or to be operating a care facility requiring a license under this chapter solely due to a landlord permitting a tenant to receive care services from persons licensed to provide care services, if licensing is otherwise required by law, and the landlord does not require a tenant to use or pay for care services as a condition of the rental agreement. For the purposes of this section, an operator means an individual or entity that operates or manages a healthcare facility or similar facility that provides care services in that facility.”

SECTION 2. Section 321-14.8, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

“(b) The department of health shall adopt ~~[rules in accordance with chapter 91]~~ interim rules, which shall be exempt from chapters 91 and 201M, to effectuate the licensure of home care agencies; provided that the interim rules shall remain in effect until the sooner of October 1, 2018, or the adoption of rules pursuant to chapters 91 and 201M to:

- (1) Protect the health, safety, and civil rights of clients of home care agencies; and
- (2) Provide for the licensure of home care agencies.”

SECTION 3. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

SECTION 4. In codifying the new sections added by section 1 of this Act, the revisor of statutes shall substitute appropriate section numbers for the letters used in designating the new sections in this Act.

SECTION 5. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.¹

SECTION 6. This Act shall take effect on July 1, 2018.

(Approved July 6, 2018.)

Note

1. Edited pursuant to HRS §23G-16.5.

ACT 149

S.B. NO. 3058

A Bill for an Act Relating to Public Lands.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that the State has a fiduciary duty to manage state lands in the best interests of the public by enhancing state revenues and promoting social, environmental, and economic well-being of Hawaii’s people. As the majority landowner in East Hawaii, the State has an enormous influence on the vision, economic development, and overall success of the East Hawaii community.

The legislature further finds that, under existing laws, many public land lessees face uncertain futures following expiration of their leases. The legislature further finds that these lessees have little incentive to make major investments in infrastructural improvements or to ensure the long-term maintenance of facilities on the land. As a result, the infrastructure and facilities on public lands in East Hawaii have been deteriorating in many locations.

The legislature also finds that the Banyan Drive area on the Waiakea Peninsula in East Hawaii, Wailoa State Park, Wailoa Estuary, and the commercial leases in the Kanoiehua Industrial Area are currently facing this difficult economic challenge. Due to the uncertainty regarding continued tenancy, despite East Hawaii being the center of tourism for the island of Hawaii, improvements have not been made and infrastructure has deteriorated, leaving the region underutilized and in disrepair. The legislature further finds that Hilo has the potential for increased growth that can improve workforce and affordable housing, parks

and open space, public facilities, and commercial, industrial, and hotel facilities, and a pilot project in this area has the potential to revive public lands, resulting in more tax revenue and community revitalization, and be assessed to determine whether it can be replicated in other areas of the State.

The purpose of this Act is to establish a ten-year pilot project to authorize the board of land and natural resources to extend leases of public land in an area to be known as the Hilo community economic district to facilitate efficient and effective improvement, and economic opportunity, in the area for lessees who commit to making substantial improvements to the existing improvements or constructing new substantial improvements.

SECTION 2. Chapter 171, Hawaii Revised Statutes, is amended by adding a new part to be appropriately designated and to read as follows:

“PART . HILO COMMUNITY ECONOMIC DISTRICT

§171-A Definitions. As used in this part:

“Hilo community economic district” means the area beginning at the intersection of Manono Street and Kamehameha Avenue, extending south to Piilani Street, east from Piilani Street to Kalanikoa Street to include Hoolulu Park, and west from the intersection of Manono Street and Piilani Street to tax map key 3-2-2-031-001, inclusive along the coastline to Maile Street until its intersection with Kilauea Avenue and then to Aupuni Street and beyond to include the following tax map keys until intersection with Ponahawai Street: 3-2-2-013-003, 3-2-2-012-001, 3-2-2-012-016, 3-2-2-011-01, and 3-2-2-007-018; extending makai to tax map key 3-2-3-002-016, along the coastline and including tax map key 3-2-2-001-006 until intersection with Lihiwai Street; those lands bounded or abutting Lihiwai Street, inclusive through Banyan Drive until its intersection with Kamehameha Avenue; from Kamehameha Avenue at its intersection with Kalanianaʻole Avenue and extending east on Kalanianaʻole Avenue to include those abutting lands until tax map key 3-2-1-010-033 on the mauka side of the road and tax map key 3-2-1-01-1010 on the makai side of Kalanianaʻole Avenue, to include also any of those lands on Ocean View Drive makai of Kalanianaʻole Avenue and the lands mauka on Silva Street and Keaa Street; the lands within the Hilo airport area managed by the department of land and natural resources as identified on tax map key 3-2-1-12; and the lands abutting or bounded by Kanoelehua Avenue extending south to Makaala Street, then east on Makaala Street to Railroad Avenue then north on Railroad Avenue until Leilani Street and east on Leilani Street until tax map key 3-2-2-037-144, then west on Leilani Street until its intersection with Kanoelehua Avenue; and all those lands abutting or bounded by Pohaku Street, Kukila Street, Halekauila Street, and Lanikaula Street as identified on tax map key 3-2-2-58; on Kanoelehua Avenue heading north from Makaala Street those lands mauka including those lands on Makaala Street, Holumua Street, Pookela Street, Wiwoole Street, and Kawili Street as identified on tax map key 3-2-2-049 and 3-2-2-050; then on Kanoelehua Avenue North from Kawili Street and Kalanikoa Street from Piilani Street until they intersect with Kamehameha Avenue.

“Substantial improvements” means any renovation, rehabilitation, reconstruction, or construction of the existing improvements, including minimum requirements for off-site and on-site improvements, the cost of which equals or exceeds thirty per cent of the market value of the existing improvements that the lessee or the lessee and developer install, construct, and complete by the date of completion of the total development.

§171-B Lease restrictions. (a) The board, from time to time, upon the issuance or during the term of any intensive agricultural, aquaculture, commercial, mariculture, special livestock, pasture, hotel, resort, or industrial lease of public lands within the Hilo community economic district, may:

- (1) Modify or eliminate any of the restrictions specified in section 171-36(a);
- (2) Extend or modify the fixed rental period or the term of the lease upon approval by the board of a development agreement proposed by the lessee to make substantial improvements to the existing improvements or to construct new substantial improvements so long as the length of any extension granted does not extend the original lease term by more than forty years; or
- (3) Extend the term and modify any provisions of the lease,

to the extent necessary to qualify the lease for mortgage lending or guaranty purposes with any federal mortgage lending agency; to qualify the lessee for any state or private lending institution loan, private loan guaranteed by the State, or any loan in which the State and any private lender participates; or to amortize the cost of substantial improvements to the demised premises that are paid for by the lessee without institutional financing.

(b) Prior to entering into a development agreement, the lessee or the lessee and developer shall submit to the board the plans and specifications for the total development being proposed. The board shall review the plans and specifications and, in determining whether to approve the development agreement pursuant to subsection (a)(2), consider:

- (1) Whether the development proposed in the development agreement is of sufficient worth and value to justify the extension of the lease;
- (2) The estimated period of time to complete the improvements and expected date of completion of the improvements; and
- (3) The minimum revised annual rent based on the fair market value of the lands to be developed, as determined by an appraiser for the board, and the percentage of rent where gross receipts exceed a specified amount.

(c) An extension of the fixed rental period or term of the lease shall be based on the economic life of the substantial improvements as determined by the board or an independent appraiser; provided that the approval of any extension shall be subject to the following:

- (1) The demised premises have been used substantially for the purpose for which they were originally leased;
- (2) The length of any extension granted for the fixed rental period of the lease shall not extend the fixed rental period of the original lease by more than forty years;
- (3) The length of any extension granted for the term of the lease shall not extend the original lease term by more than forty years;
- (4) If a reopening occurs, the rental for any ensuing period shall be the fair market rental as determined under section 171-17(d) at the time of reopening;
- (5) Any federal or private lending institution shall be qualified to do business in the State;
- (6) Proceeds of any mortgage or loan shall be used solely for the operations or substantial improvements on the demised premises;
- (7) Where substantial improvements are financed by the lessee, the lessee shall submit receipts of expenditures within a time period specified by the board, otherwise the lease extension shall be canceled; and

- (8) The rules of the board, setting forth any additional terms and conditions, which shall ensure and promote the purposes of the demised lands.

(d) The board, from time to time, during the term of any agriculture, intensive agriculture, aquaculture, commercial, mariculture, special livestock, pasture, hotel, resort, or industrial lease of public lands within the Hilo community economic district, may modify or eliminate any of the restrictions specified in section 171-36(a), extend or modify the fixed rental period of the lease, or extend the term of the lease upon a showing of significant economic hardship directly caused by:

- (1) State disaster, pursuant to chapter 209, including seismic or tidal wave, tsunami, hurricane, volcanic eruption, typhoon, earthquake, flood, or severe drought; or
- (2) A taking of a portion of the area of the lease by government action by eminent domain, withdrawal, or conservation easement; provided that the portion taken shall not be less than ten per cent of the entire leased area unless otherwise approved by the board; provided that the board determines that the lessee will not be adequately compensated pursuant to the lease provisions.

(e) The approval of any extension granted pursuant to subsection (d) shall be subject to the following:

- (1) The demised premises has been used substantially for the purposes for which they were originally leased;
- (2) The rental shall not be less than the rental for the preceding term;
- (3) The rules of the board, setting forth any additional terms and conditions which shall ensure and promote the purposes of the demised lands; and
- (4) The length of the extension shall not exceed a reasonable length of time for the purpose of providing relief and shall in no case extend the original lease's fixed rental period by more than forty years.

(f) The applicant for any lease extension pursuant to this section shall pay all costs and expenses incurred by the department in connection with the processing, analyzing, and negotiating of any lease extension request and document and of the development agreement under subsections (a) and (b).

§171-C Lessees within the last ten years of their lease terms; request for interest. (a) Notwithstanding any other provision of law to the contrary, and except as otherwise provided in section 171-B, a lessee of public land within the Hilo community economic district that is classified as hotel, resort, or commercial and industrial use pursuant to section 171-10, and that is subject to the management, administration, or control of the board may, during the last ten years of the term of the original lease, submit a written request to the board to initiate a request for interest process as provided in this section.

(b) Within one hundred eighty days of a lessee's written request to initiate a request for interest, the board shall:

- (1) Appraise the value of the land and any improvements to the land that existed as of the date of the written request pursuant to section 171-17(a) and require the awardee of a new lease executed pursuant to this section to reimburse the department for the appraisal; and
- (2) Publish a request for interest and request for qualifications notice inviting persons to express their interest in leasing the land and their qualifications as potential lessees and describing any improvements to the land that exist as of the date of the written request. The notice

shall be given at least once statewide and at least once in the county where the land is located and shall contain:

- (A) The qualifications required of eligible lessees which shall conform to department policy for new leases;
- (B) A general description of the land, including the address and tax map key, the termination date of the existing lease, and of any improvements to the land that existed as of the date of the written request;
- (C) That the land to be leased is classified as hotel, resort, or commercial and industrial use pursuant to section 171-10;
- (D) The appraised value of the land and of any improvements to the land that existed as of the date of the written request;
- (E) The closing date and manner by which a person shall indicate interest and submit a statement of qualifications; and
- (F) Notice that a current business plan is a prerequisite to participate at time of auction or direct negotiation, if applicable, and shall be made a term of the lease.

(c) Within ninety days after the closing date specified in the notice, the board shall determine if any persons have qualified under the terms of the request for qualifications and shall notify all persons who expressed interest as to whether they qualified. Qualified bidders shall be required to deposit an amount equal to one per cent of the value of the leasehold improvements as determined by appraisal, but not less than \$1,000, to be held in an interest bearing account as deposit by the department and returned to the applicant at the applicant's cancellation of interest, the applicant's unsuccessful bid at auction, or as a credit against the applicant's successful bid at auction. The board shall also notify the current lessee as to whether any other persons qualified.

(d) The board shall proceed to dispose of the land in accordance with section 171-41.6."

SECTION 3. Section 171-41.6, Hawaii Revised Statutes, is amended by amending its title and subsection (a) to read as follows:

"~~§171-41.6~~ Lessees within the last ten years of their lease terms; requests for interest. (a) Notwithstanding any other provision of law to the contrary, and except as otherwise provided in ~~section~~ sections 171-36(b) and (d)~~],~~ and 171-C, a lessee of public land that is classified as commercial and industrial use pursuant to section 171-10, and that is subject to the management, administration, or control of the board may, during the last ten years of the term of the original lease, submit a written request to the board to initiate a request for interest process as provided in this section."

SECTION 4. The department of land and natural resources shall review the pilot project established by this Act and submit a report of its findings and recommendations, including any proposed legislation, to the legislature no later than twenty days prior to the convening of the regular session of 2019 and every year thereafter.

SECTION 5. In codifying the new sections added by section 2 of this Act, the revisor of statutes shall substitute appropriate section numbers for the letters used in designating the new sections in this Act.

SECTION 6. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 7. This Act shall take effect on July 1, 2018, and shall be repealed on June 30, 2028; provided that section 171-41.6, Hawaii Revised Statutes, shall be reenacted in the form in which it read on June 30, 2018.

(Approved July 6, 2018.)

ACT 150**S.B. NO. 2293**

A Bill for an Act Relating to Affordable Housing.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The Hawaii housing finance and development corporation shall institute proceedings for the condemnation of the ground lease for the Front Street Apartments affordable housing project pursuant to chapter 101, Hawaii Revised Statutes.

SECTION 2. There is appropriated out of the general revenues of the State of Hawaii the sum of \$250,000 or so much thereof as may be necessary for fiscal year 2018-2019 for an appraisal and other preparations for instituting the condemnation proceedings under section 1; provided that no funds authorized pursuant to this section shall be made available unless the county of Maui provides dollar-for-dollar matching funds.

The sum appropriated shall be expended by the Hawaii housing finance and development corporation for the purposes of this section.

SECTION 3. There is appropriated out of the rental housing revolving fund the sum of \$30,000,000 or so much thereof as may be necessary for fiscal year 2018-2019 to expedite and complete the construction of the Leialii affordable housing project in Lahaina, Maui, by 2021.

The sum appropriated shall be expended by the Hawaii housing finance and development corporation for the purposes of this section.

SECTION 4. This Act shall take effect on July 1, 2018.

(Approved July 7, 2018.)

ACT 151**H.B. NO. 1602**

A Bill for an Act Relating to Opioids.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that opioids are a class of drugs that includes the illegal drug heroin, synthetic opioids such as fentanyl, and prescription pain relievers, such as oxycodone, hydrocodone, codeine, and morphine. These drugs are chemically related and interact with opioid receptors on nerve cells in the body and brain. The legislature further finds that opioid pain relievers are generally safe when taken for a short time as prescribed by a physician. However, regular use of opioid pain relievers, even as prescribed by a physician, can lead to dependence. Moreover, because opioid pain relievers produce euphoria in addition to pain relief, they are very prone to misuse. The misuse of opioid pain relievers can easily lead to overdose incidents and deaths.

The legislature further finds that the Centers for Disease Control and Prevention formally declared an opioid epidemic in 2011. According to the American Society of Addiction Medicine, more than 2,500,000 Americans have an opioid-use disorder. The opioid epidemic is the deadliest drug crisis in United States history, with drug overdoses claiming more lives in 2016 than motor vehicle accidents or gun violence. Stated otherwise, the opioid epidemic is tantamount to a new 9/11 attack every three weeks.

At the heart of the opioid epidemic is OxyContin, which is a brand name available for the prescription pain killer, oxycodone. OxyContin is a dangerous and deadly opioid that was developed in the 1990's by Purdue Pharma, which is based in Stamford, Connecticut and is owned and operated by the Sackler family. The Sacklers are best known as philanthropists whose family name is prominently featured in exhibits at a number of prominent institutions, including the Metropolitan Museum of Art, Harvard University, and the Louvre. Because the Sacklers have managed to write their family name out of the history of the family business, most visitors to these establishments are unaware that the family made their fortune by being one of the prime beneficiaries of the current epidemic of opioid use.

As detailed in an article published in *The New Yorker* on October 30, 2017, the Sacklers' great wealth was earned at the expense of the millions of people who have fallen prey to drug addiction due to OxyContin's intrinsic addictive properties, of which the Sacklers were well aware, but denied any knowledge. As noted, the Sacklers launched OxyContin with a multi-faceted marketing campaign that misinformed doctors about the risks of opioids, which included addiction and death. In September 2017, the attorneys general of forty-one U.S. states banded together to investigate the role these deceptive marketing campaigns on the part of opioid manufacturers and distributors, including Purdue Pharma, in the current crisis of opiate addictions and overdose deaths.

Meanwhile, in April 2016, Congress, yielding to pressure from the drug industry, passed a law that effectively stripped the federal Drug Enforcement Administration (DEA) of its most potent weapon against large drug companies suspected of spilling prescription narcotics onto the nation's streets. By that time, the opioid crisis had surged into the deadliest drug epidemic in United States history, having claimed 200,000 lives, more than three times the number of United States military deaths in the Vietnam War.

Prior to the passage of The Ensuring Patient Access and Effective Drug Enforcement Act of 2016, the DEA had broad authority to freeze suspicious narcotic shipments from drug distribution companies, as long as the shipment posed an "imminent danger" to the community. The DEA used this authority to immediately prevent drugs from reaching the streets. The new law requires the DEA to demonstrate that a company's action represents "a substantial likelihood of an immediate threat," which is a much higher bar. As a result, it is now virtually impossible for the DEA to freeze suspicious opioid shipments. The higher standard has severely undermined the DEA's previously aggressive enforcement efforts.

Accordingly, in this regulatory vacuum of effective federal law enforcement efforts against the drug epidemic, the several states have no choice but to step up their own efforts to combat the epidemic through multi-faceted attacks, such as requiring:

- (1) Warnings to accompany opioid prescriptions;
- (2) More comprehensive health insurance coverage for the treatment of opioid dependence;
- (3) Data collection on opioid overdoses and deaths; and
- (4) Lowest possible dosage levels for prescriptions.

The purpose of this Act is to require a health care professional or pharmacist who dispenses any opioid drug to include on the drug's package a specific warning label.

SECTION 2. Chapter 329, Hawaii Revised Statutes, is amended by adding a new section to part III to be appropriately designated and to read as follows:

“§329- Opioid warning label. In addition to any requirements for labeling of drugs under part I of chapter 328, part III of this chapter, and any other requirement for labeling of prescription drugs pursuant to state or federal law, a health care professional or pharmacist who dispenses any opioid drug shall include on the drug's package a warning label that contains wording substantially similar to the following warning:

“Caution: Opioid. Risk of overdose and addiction.””

SECTION 3. New statutory material is underscored.¹

SECTION 4. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

SECTION 5. This Act shall take effect upon its approval; provided that the warning label requirement established by this Act shall be implemented commencing August 1, 2018.

(Approved July 9, 2018.)

Note

1. Edited pursuant to HRS §23G-16.5.

ACT 152

H.B. NO. 2384

A Bill for an Act Relating to the Uniform Controlled Substances Act.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 329-16, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

“(b) Any of the following substances, except those narcotic drugs listed in other schedules, whether produced directly or indirectly by extraction from substances of vegetable origin, or independently by means of chemical synthesis, or by combination of extraction and chemical synthesis:

- (1) Opium and opiate, and any salt, compound, derivative, or preparation of opium or opiate, excluding apomorphine, thebaine-derived butorphanol, dextrorphan, nalbuphine, nalmefene, naloxegol, naloxone, and naltrexone, and their respective salts, but including the following:
 - (A) Raw opium;
 - (B) Opium extracts;
 - (C) Opium fluid;
 - (D) Powdered opium;
 - (E) Granulated opium;
 - (F) Codeine;

- (G) Ethylmorphine;
 - (H) Etorphine hydrochloride;
 - (I) Hydrocodone;
 - (J) Hydromorphone;
 - (K) Metopon;
 - (L) Morphine;
 - (M) Oxycodone;
 - (N) Oxymorphone;
 - (O) Thebaine;
 - (P) Dihydroetorphine;
 - (Q) Oripavine; and
 - (R) Tincture of opium;
- (2) Any salt, compound, isomer, derivative, or preparation thereof which is chemically equivalent or identical with any of the substances referred to in paragraph (1), but not including the isoquinoline alkaloids of opium;
 - (3) Opium poppy and poppy straw;
 - (4) Coca leaves and any salt, compound, derivative, or preparation thereof which is chemically equivalent or identical with any of these substances, but not including decocanized coca leaves or extractions which do not contain cocaine or ecgonine; cocaine or any salt or isomer thereof; and
 - (5) Concentrate of poppy straw (the crude extract of poppy straw in either liquid, solid, or powder form that contains the phenanthrene alkaloids of the opium poppy)."

SECTION 2. Section 329-38, Hawaii Revised Statutes, is amended by amending subsection (h) to read as follows:

"(h) The effectiveness of a prescription for the purposes of this section shall be determined as follows:

- (1) A prescription for a controlled substance shall be issued for a legitimate medical purpose by an individual practitioner acting in the usual course of the practitioner's professional practice. The responsibility for the proper prescribing and dispensing of controlled substances shall be upon the prescribing practitioner, but a corresponding responsibility shall rest with the pharmacist who fills the prescription. An order purporting to be a prescription issued not in the usual course of professional treatment or for legitimate and authorized research shall not be deemed a prescription within the meaning and intent of this section, and the person who knowingly fills such a purported prescription, as well as the person who issues the prescription, shall be subject to the penalties provided for violations of this chapter;
- (2) A prescription may not be issued to allow an individual practitioner to obtain controlled substances for supplying the individual practitioner for the purpose of general dispensing to patients;
- ~~(3) A prescription may not be issued for the dispensing of narcotic drugs listed in any schedule for the purpose of "medically managed withdrawal", also known as "detoxification treatment", or "maintenance treatment" except as follows:~~
 - (A) ~~The administering or dispensing directly (but not prescribing) of narcotic drugs listed in any schedule to a narcotic drug-dependent person for "medically managed withdrawal", also~~

known as “detoxification treatment”²¹ or “maintenance treatment” shall be deemed to be “in the course of a practitioner’s professional practice or research” so long as the practitioner is registered separately with the department and the federal Drug Enforcement Agency as required by section 329-32(e) and complies with Title 21 Code of Federal Regulations section 823(g) and any other federal or state regulatory standards relating to treatment qualification, security, records, and unsupervised use of drugs; and

- (B) Nothing in this section shall prohibit a physician or authorized hospital staff from administering or dispensing, but not prescribing, narcotic drugs in a hospital to maintain or detoxify a person as an incidental adjunct to medical or surgical treatment of conditions other than addiction;]
- (3) A prescription may not be issued for “medically managed withdrawal”, also known as “detoxification treatment” or “maintenance treatment”, unless the prescription is for a schedule III, IV, or V narcotic drug approved by the Food and Drug Administration specifically for use in maintenance or detoxification treatment and the practitioner is in compliance with title 21 Code of Federal Regulations section 1301.28, the registration requirements of section 329-32(e), and any other federal or state regulatory standards relating to treatment qualification, security, records, and unsupervised use of drugs;
- (4) A practitioner may administer or dispense directly (but not prescribe) a narcotic drug listed in any schedule to a narcotic dependent person for the purpose of maintenance or detoxification treatment if the practitioner meets both of the following conditions:
- (A) The practitioner is separately registered with the Drug Enforcement Administration as a narcotic treatment program; and
- (B) The practitioner is in compliance with Drug Enforcement Administration regulations regarding treatment qualifications, security, records, and unsupervised use of the drugs pursuant to this chapter;
- (5) Nothing in this section shall prohibit a physician who is not specifically registered to conduct a narcotic treatment program from administering (but not prescribing) narcotic drugs to a person for the purpose of relieving acute withdrawal symptoms when necessary while arrangements are being made for referral for treatment. Not more than one day’s medication may be administered to the person or for the person’s use at one time. Such emergency treatment may be carried out for not more than three days and may not be renewed or extended;
- (6) This section is not intended to impose any limitations on a physician or authorized hospital staff to administer or dispense narcotic drugs in a hospital to maintain or detoxify a person as an incidental adjunct to medical or surgical treatment of conditions other than addiction, or to administer or dispense narcotic drugs to persons with intractable pain in which no relief or cure is possible or none has been found after reasonable efforts;
- (7) A practitioner may administer or dispense (including prescribe) any schedule III, IV, or V narcotic drug approved by the Food and Drug Administration specifically for use in maintenance or detoxification

treatment to a narcotic dependent person if the practitioner complies with the requirements of title 21 Code of Federal Regulations section 1301.28, the registration and any other requirements of section 329-32(e), and any other federal or state regulatory standards relating to treatment qualification, security, records, and unsupervised use of drugs;

- [(4)] (8) An individual practitioner shall not prescribe or dispense a substance included in schedule II, III, IV, or V for that individual practitioner’s personal use, except in a medical emergency; and
- [(5)] (9) A pharmacist shall not dispense a substance included in schedule II, III, IV, or V for the pharmacist’s personal use.”

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect upon its approval.

(Approved July 9, 2018.)

Note

- 1. Prior to amendment “,” appeared here.

ACT 153

S.B. NO. 2646

A Bill for an Act Relating to Prescription Drugs.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that prescribers of controlled substances, including doctors, dentists, surgeons, and podiatrists, are required to register with the state electronic prescription accountability system and are required to report information relevant to the dispensation of any controlled substance before any controlled substance may be dispensed. Prescribers are also permitted to view prescription data of their own patients. However, prescribers are currently not required to consult the state electronic prescription accountability system before prescribing a controlled substance.

The legislature further finds that drug overdose rates have increased catastrophically in Hawaii, increasing by eighty-three per cent from 2006 to 2014. Thirty-five per cent of all drug overdose deaths between 2010 and 2014 were caused by prescription opioids alone.

The purpose of this Act is to reduce the access of the public to potentially addictive substances by requiring prescribers to consult the state electronic prescription accountability system before issuing a prescription for certain controlled substances.

SECTION 2. Chapter 329, Hawaii Revised Statutes, is amended by adding a new section to part III to be appropriately designated and to read as follows:

“§329- Prescriptions; additional restrictions. (a) The prescription restrictions in this section shall apply in addition to the restrictions described in section 329-38.

(b) No prescriber shall prescribe a schedule II, III, or IV controlled substance without first requesting, receiving, and considering records of the ulti-

mate user from the state electronic prescription accountability system as needed to reduce the risk of abuse of or addiction to a controlled substance, as needed to avoid harmful drug interactions, or as otherwise medically necessary; provided that this subsection shall not apply to:

- (1) Any prescription for a supply of three days or less that is made in an emergency situation, by an emergency medical provider, or in an emergency room; and
- (2) Any prescription written while the state electronic prescription accountability system is nonfunctional.
- (c) The administrator of the state electronic prescription accountability system shall promptly disclose only the requested data to the requesting prescriber or the requesting prescriber's delegate. Disclosure as required under this section is permissible under the duty of confidentiality imposed by section 329-104. To the extent that this section conflicts with other state confidentiality and disclosure laws, this section shall prevail.
- (d) A violation of this section shall not be subject to the penalty provisions of part IV of chapter 329; provided that a violation of this section may result in disciplinary action by the appropriate licensing authority."

SECTION 3. New statutory material is underscored.¹

SECTION 4. This Act shall take effect on July 1, 2018, and shall be repealed on June 30, 2023.

(Approved July 9, 2018.)

Note

1. Edited pursuant to HRS §23G-16.5.

ACT 154

S.B. NO. 2247

A Bill for an Act Relating to Opioid Antagonists.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that the nationwide opioid epidemic continues to result in an alarming number of opioid overdose deaths. According to the Centers for Disease Control and Prevention, opioid overdose fatalities have increased from 53,000 in 2015 to 64,000 in 2016. Unintentional drug poisonings, commonly referred to as drug overdoses, are one of the leading causes of injury-related mortality in Hawaii. Furthermore, an average of four hundred non-fatal overdoses occur in Hawaii per year, and opioid related overdoses resulted in about \$9,800,000 in hospital costs in 2016.

The legislature further finds that deaths caused by opioids are often preventable via timely administration of an opioid antagonist, such as naloxone. Studies have found that providing opioid overdose training and naloxone kits can help people identify signs of an opioid-related drug overdose and can help reduce opioid overdose mortality. Thus, there is a need for increased public access to health care professionals who can safely provide naloxone and related education about the risks of opioid misuse.

The legislature also finds that pharmacists are well situated to provide education and access to naloxone and assist with the prevention and health care burden of addressing opioid overdose in Hawaii. A good example of how phar-

macists can positively impact the overall public health continuum and reduce health care costs is seen with pharmacists providing immunizations. Pharmacists now immunize more patients than any other group of health care professionals, and immunization rates have grown, reducing disease and morbidity in the overall population.

The legislature notes that there is significant precedent in Hawaii law that supports expanded access to opioid antagonists and the role of registered pharmacists in the administration, dispensing, and prescription of opioid antagonists, such as in Act 66, Session Laws of Hawaii 2017, Act 68, Session Laws of Hawaii 2016, and Act 217, Session Laws of Hawaii 2015.

Accordingly, the purpose of this Act is to expand the scope of registered pharmacists' practice by allowing registered pharmacists to prescribe, dispense, and provide related education on opioid antagonists without the need for a written, approved collaborative agreement.

SECTION 2. Chapter 461, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

“§461- Opioid antagonist; authority to prescribe and dispense; requirements. (a) A pharmacist may prescribe and dispense an opioid antagonist to an individual who is at risk for an opioid overdose or a family member or caregiver of an individual who is at risk of an opioid overdose regardless of whether the individual has evidence of a previous prescription for an opioid antagonist from a practitioner authorized to prescribe opioids. The opioid antagonist prescribed and dispensed for a family member or caregiver of an individual who is at risk for an opioid overdose may be prescribed and dispensed in the name of the individual who is to be treated with the opioid antagonist or an “Opioid Antagonist Recipient” or “OAR”.

(b) A pharmacist who prescribes and dispenses opioid antagonists pursuant to subsection (a) shall:

- (1) Complete a training program related to prescribing opioid antagonists that is approved by the Accreditation Council for Pharmacy Education (ACPE), a curriculum-based program from an ACPE-accredited college of pharmacy, a state or local health department program, or a program recognized by the board;
- (2) Provide the individual who is receiving the opioid antagonist with information and written educational material on risk factors of opioid overdose, signs of an overdose, overdose response steps, and the use of the opioid antagonist; and
- (3) Dispense the opioid antagonist to the individual who is at risk for an opioid overdose, family member, or caregiver as soon as practicable after the pharmacist issues the prescription.”

SECTION 3. Section 461-1, Hawaii Revised Statutes, is amended as follows:

1. By adding two new definitions to be appropriately inserted and to read:

““Caregiver” means an individual who has an established personal or professional relationship with the individual at risk for an opioid overdose.

“Family member” means an individual who can provide assistance and is related to the individual at risk for an opioid overdose.”

2. By amending the definition of “practice of pharmacy” to read:

““Practice of pharmacy” means:

- (1) The interpretation and evaluation of prescription orders; the compounding, dispensing, and labeling of drugs and devices (except labeling by a manufacturer, packer, or distributor of nonprescription drugs and commercially legend drugs and devices); the participation in drug selection and drug utilization reviews; the proper and safe storage of drugs and devices and the maintenance of proper records therefor; the responsibility for advising when necessary or where regulated, of therapeutic values, content, hazards, and use of drugs and devices;
- (2) Performing the following procedures or functions as part of the care provided by and in concurrence with a “health care facility” and “health care service” as defined in section 323D-2, or a “pharmacy” or a licensed physician or a licensed advanced practice registered nurse with prescriptive authority, or a “managed care plan” as defined in section 432E-1, in accordance with policies, procedures, or protocols developed collaboratively by health professionals, including physicians and surgeons, pharmacists, and registered nurses, and for which a pharmacist has received appropriate training required by these policies, procedures, or protocols:
 - (A) Ordering or performing routine drug therapy related patient assessment procedures;
 - (B) Ordering drug therapy related laboratory tests;
 - (C) Initiating emergency contraception oral drug therapy in accordance with a written collaborative agreement approved by the board, between a licensed physician or advanced practice registered nurse with prescriptive authority and a pharmacist who has received appropriate training that includes programs approved by the [American] Accreditation Council [~~of Pharmaceutical~~] for Pharmacy Education (ACPE), curriculum-based programs from an ACPE-accredited college of pharmacy, state or local health department programs, or programs recognized by the board of pharmacy;
 - (D) Administering drugs orally, topically, by intranasal delivery, or by injection, pursuant to the order of the patient’s licensed physician or advanced practice registered nurse with prescriptive authority, by a pharmacist having appropriate training that includes programs approved by the ACPE, curriculum-based programs from an ACPE-accredited college of pharmacy, state or local health department programs, or programs recognized by the board of pharmacy;
 - (E) Administering:
 - (i) Immunizations orally, by injection, or by intranasal delivery, to persons eighteen years of age or older by a pharmacist having appropriate training that includes programs approved by the ACPE, curriculum-based programs from an ACPE-accredited college of pharmacy, state or local health department programs, or programs recognized by the board of pharmacy;
 - (ii) Vaccines to persons between fourteen and seventeen years of age pursuant to section 461-11.4; and
 - (iii) Human papillomavirus, Tdap (tetanus, diphtheria, pertussis), meningococcal, and influenza vaccines to persons between eleven and seventeen years of age pursuant to section 461-11.4;

- (F) As authorized by the written instructions of a licensed physician or advanced practice registered nurse with prescriptive authority, initiating or adjusting the drug regimen of a patient pursuant to an order or authorization made by the patient's licensed physician or advanced practice registered nurse with prescriptive authority and related to the condition for which the patient has been seen by the licensed physician or advanced practice registered nurse with prescriptive authority; provided that the pharmacist shall issue written notification to the patient's licensed physician or advanced practice registered nurse with prescriptive authority or enter the appropriate information in an electronic patient record system shared by the licensed physician or advanced practice registered nurse with prescriptive authority, within twenty-four hours;
 - (G) Transmitting a valid prescription to another pharmacist for the purpose of filling or dispensing;
 - (H) Providing consultation, information, or education to patients and health care professionals based on the pharmacist's training and for which no other licensure is required; or
 - (I) ~~[Dispensing an opioid antagonist in accordance with a written collaborative agreement approved by the board, between a licensed physician and a pharmacist who has received appropriate training that includes programs approved by the ACPE, curriculum-based programs from an ACPE-accredited college of pharmacy, state or local health department programs, or programs recognized by the board;] Prescribing and dispensing an opioid antagonist pursuant to section 461- ;~~
- (3) The offering or performing of those acts, services, operations, or transactions necessary in the conduct, operation, management, and control of pharmacy; and
 - (4) Prescribing and dispensing contraceptive supplies pursuant to section 461-11.6."

SECTION 4. Section 328-16, Hawaii Revised Statutes, is amended as follows:

1. By amending subsections (a) to (c) to read:

"(a) A prescription drug shall be dispensed only if its label bears the following:

- (1) The name, business address, and telephone number of the seller. The business address shall be the physical location of the pharmacy or the dispensing practitioner's office;
- (2) Except as otherwise authorized for expedited partner therapy in section 453-52[;] or an opioid antagonist in section 461- , the name of the person for whom the drug was prescribed or the name of the owner of the animal for which the drug was prescribed;
- (3) The serial number of the prescription;
- (4) The date the prescription was prepared;
- (5) The name of the practitioner if the seller is not the practitioner;
- (6) The name, strength, and quantity of the drug;
- (7) The "use by" date for the drug, which shall be:
 - (A) The expiration date on the manufacturer's container; or
 - (B) One year from the date the drug is dispensed, whichever is earlier;
- (8) The number of refills available, if any;

- (9) In the case of the dispensing of an equivalent generic drug product, the statement “same as (brand name of the drug product prescribed or the referenced listed drug name)”, or words of similar meaning;
- (10) In the case of the dispensing of an interchangeable biological product, the statement “interchangeable with (brand name of the biological product prescribed or the referenced biological drug name)”, or words of similar meaning; and
- (11) Specific directions for the drug’s use; provided that if the specific directions for use are too lengthy for inclusion on the label, the notation “take according to written instructions” may be used if separate written instructions for use are actually issued with the drug by the practitioner or the pharmacist, but in no event shall the notation “take as directed”, referring to oral instructions, be considered acceptable.

If any prescription for a drug does not indicate the number of times it may be refilled, if any, the pharmacist shall not refill that prescription unless subsequently authorized to do so by the practitioner. The act of dispensing a prescription drug other than a professional sample or medical oxygen contrary to this subsection shall be deemed to be an act that results in a drug being misbranded while held for sale.

(b) In addition to the requirements enumerated in subsection (a), a prescription drug shall be dispensed only:

- (1) By a pharmacist pursuant to a valid prescription~~;~~ or section [461-1, or section 453-52]; 453-52, 461-1, or 461- ;
- (2) By a medical oxygen distributor pursuant to a prescription or certificate of medical necessity; provided that the drug to be dispensed is medical oxygen; or
- (3) By a practitioner to an ultimate user; provided that:
 - (A) Except as otherwise authorized for expedited partner therapy in section 453-52, the practitioner shall inform the patient, prior to dispensing any drug other than a professional sample, that the patient may have a written, orally ordered, or electronically transmitted or conveyed prescription directed to a pharmacy or a medical oxygen distributor of the patient’s own choice;
 - (B) The practitioner shall promptly record in the practitioner’s records:
 - (i) The prescription in full;
 - (ii) The name, strength, and quantity of the drug, and specific directions for the drug’s use;
 - (iii) The date the drug was dispensed;
 - (iv) Except as otherwise authorized for expedited partner therapy in section 453-52~~;~~ or for an opioid antagonist in section 461- , the name and address of the person for whom the drug was prescribed or the name of the owner of the animal for which the drug was prescribed; and
 - (v) Prescription drugs dispensed or prescribed for expedited partner therapy as authorized under section 453-52~~;~~ or for an opioid antagonist in section 461- ;
 - (C) The records described in subparagraph (B) shall be subject to the inspection of the department or its agents at all times; and
 - (D) No undisclosed rebate, refund, commission, preference, discount, or other consideration, whether in the form of money or otherwise, has been offered to the practitioner as compensa-

tion or inducement to dispense or prescribe any specific drug in preference to other drugs that might be used for the identical therapeutic indication.

- (c) A prescription may be communicated in writing, orally, or by electronic transmission, and shall include the following information:
- (1) The authorization of the practitioner noted as follows:
 - (A) Written prescriptions shall include the original signature of the practitioner;
 - (B) Oral prescriptions shall be promptly recorded by the pharmacist or medical oxygen distributor and shall include the practitioner's oral code designation; and
 - (C) Electronic prescriptions shall be irrefutably traceable to the prescribing practitioner by a recognizable and unique practitioner identifier such as:
 - (i) A bitmap or graphic image of the prescriber's handwritten signature and the prescriber's oral code designation (or license number or other identifier if the prescriber is an out-of-state practitioner);
 - (ii) An electronic signature;
 - (iii) A digital signature; or
 - (iv) By other means as approved by the director;
 - (2) The date of issuance;
 - (3) The practitioner's name, business telephone number, and business address, unless the practitioner is otherwise uniquely identified and the pharmacy or medical oxygen distributor dispensing the prescription has the prescriber's contact information on file accessible within the dispensing area;
 - (4) The name, strength, and quantity of the drug to be dispensed, and specific directions for the drug's use;
 - (5) Except as otherwise authorized for expedited partner therapy in section 453-52[;] or for an opioid antagonist in section 461-, the name and address of the person for whom the prescription was written or the name of the owner of the animal for which the drug was prescribed, unless the pharmacy or medical oxygen distributor dispensing the prescription has the address on file accessible within the dispensing area;
 - (6) The room number and route of administration, if the patient is in an institutional facility; and
 - (7) The number of allowable refills, if the prescription is refillable. If the number of refills authorized by the practitioner is indicated using the terms "as needed" or "prn", the prescription may be refilled up to twelve months from the date the original prescription was written. After the twelve-month period, the "as needed" or "prn" prescription may be refilled for a subsequent three-month period; provided:
 - (A) The prescription is refilled only once during the three-month period;
 - (B) The refill does not exceed a thirty-day supply of the drug;
 - (C) The refill does not provide any amount of the drug fifteen months beyond the date the original prescription was written;
 - (D) In the case of medical oxygen, the duration of therapy indicated on a certificate of medical necessity shall supersede any limitations or restrictions on refilling; and

(E) Subparagraphs (A) to (D) shall apply only to pharmacies and medical oxygen distributors practicing in the State.”

2. By amending subsection (g) to read:

“(g) Any drug other than medical oxygen dispensed pursuant to a prescription shall be exempt from the requirements of section 328-15 (except paragraphs (1), (9), (11), and (12), and the packaging requirements of paragraphs (7) and (8)), if the drug bears a label containing:

- (1) The name and address of the pharmacy;
- (2) The serial number and the date of the prescription or of its filling;
- (3) The name of the practitioner;
- (4) Except as otherwise authorized for expedited partner therapy in section 453-52[;] or for an opioid antagonist in section 461-, the name of the patient;
- (5) The directions for use; and
- (6) Any cautionary statements contained in the prescription.

This exemption shall not apply to any drug dispensed in the course of the conduct of a business of dispensing drugs pursuant to diagnosis by mail, or to a drug dispensed in violation of subsection (a), (b), (c), or (d).”

SECTION 5. Section 328-17.6, Hawaii Revised Statutes, is amended as follows:

1. By amending subsections (c) and (d) to read:

“(c) Any pharmacist or medical oxygen distributor who fills or refills a prescription from an out-of-state practitioner shall:

- (1) Note the following on the prescription record: the out-of-state practitioner’s full name, address, and telephone number;
- (2) Be responsible for validating and verifying the practitioner’s prescriptive authority by virtue of a valid out-of-state license, a Drug Enforcement Administration registration number, or other measures as appropriate; and
- (3) Except as otherwise authorized for expedited partner therapy in section 453-52[;] or for an opioid antagonist in section 461-, demand proper identification from the person whose name appears on the prescription prior to filling the prescription, in addition to complying with any identification procedures established by the department for filling and refilling an out-of-state prescription.

(d) Before refilling a transferred out-of-state prescription, a pharmacist or medical oxygen distributor shall:

- (1) Except as otherwise authorized for expedited partner therapy in section 453-52[;] or for an opioid antagonist in section 461-, advise the person whose name appears on the prescription that the prescription on file at the originating out-of-state pharmacy or medical oxygen distributor may be canceled; and
- (2) Record all information required to be on a prescription, including:
 - (A) The date of issuance of the original prescription;
 - (B) The number of refills authorized on the original prescription;
 - (C) The date the original prescription was dispensed;
 - (D) The number of valid refills remaining and the date of the last refill;
 - (E) The out-of-state pharmacy’s or out-of-state medical oxygen distributor’s name, telephone number, and address, and the original prescription number or control number from which the prescription information was transferred; and

(F) The name of the transferor pharmacist or the medical oxygen distributor's agent.”

2. By amending subsection (f) to read:

“(f) An out-of-state prescription record shall state the date of filling or refilling and, except as otherwise authorized for expedited partner therapy in section 453-52[;] or for an opioid antagonist in section 461-, the local address of the person whose name appears on the prescription.”

SECTION 6. Section 328-17.7, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

“(a) Every practitioner, pharmacist, or medical oxygen distributor who compounds, sells, or delivers any prescribed drug to a patient or a patient's agent shall maintain records that identify:

- (1) The specific drug product dispensed, including:
 - (A) The product's national drug code (NDC) number; or
 - (B) The brand name or the established name and the name or commonly accepted abbreviation of the principal labeler of the drug product dispensed, the product strength, and the dosage form;
- (2) The quantity of the drug;
- (3) Directions for use;
- (4) The number of allowable refills;
- (5) The date of initial dispensing and the dates of all refilling;
- (6) The date of any transfer of the prescription;
- (7) The name, business address, and telephone number of the recipient pharmacist or medical oxygen distributor for any transfer of prescription;
- (8) The prescribing practitioner, including name, business address, and telephone number;
- (9) The format (oral, written, or electronic) in which the prescription was received;
- (10) Except as otherwise authorized for expedited partner therapy in section 453-52[;] or for an opioid antagonist in section 461-, the patient, including name, address, and telephone number;
- (11) The date of prescribing; and
- (12) The name of the practitioner, pharmacist, or medical oxygen distributor dispensing the drug.

Every prescription dispensed shall have the name of the pharmacist, dispensing practitioner, or medical oxygen distributor responsible for the dispensing appended to the prescription record, and every prescription record shall be preserved and legible for a period of not less than five years. The prescription records shall be subject at all times to the inspection of the director of health or the director's agent.”

SECTION 7. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.¹

SECTION 8. This Act shall take effect on July 1, 2018.

(Approved July 9, 2018.)

Note

1. Edited pursuant to HRS §23G-16.5.

ACT 155

S.B. NO. 2244

A Bill for an Act Relating to Workers' Compensation.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that drug overdose deaths and opioid-involved deaths continue to increase in the United States. According to information from the federal Centers for Disease Control and Prevention, the majority of drug overdose deaths involve an opioid. The number of overdose deaths involving opioids has quadrupled since 1999, with more than half a million people dying from drug overdoses between 2000 and 2015. The Centers for Disease Control and Prevention notes that overdoses from prescription opioids are a driving factor in the fifteen-year increase in opioid overdose deaths. Furthermore, although the amount of prescription opioids sold to pharmacies, hospitals, and doctors' offices nearly quadrupled from 1999 to 2010, there has not been an overall change in the amount of pain reported by Americans. The Centers for Disease Control and Prevention also estimates that the total economic burden of prescription opioid misuse in the United States is \$78,500,000,000 a year, including the costs of health care, lost productivity, addiction treatment, and criminal justice involvement.

The legislature further finds that numerous efforts have been made at the national and state levels to respond to the nation's opioid epidemic. A number of states have also taken steps through their workers' compensation systems to stem the overprescribing of opioids to workers injured on the job.

The use of prescription opioids may be a reasonable and appropriate treatment option for some workplace injuries. However, the legislature notes that according to the National Safety Council, research on medical outcomes when opioids are used in workers' compensation has demonstrated that opioid use beyond the acute phase can impair function, be a barrier to recovery, and increase an injured worker's experience of pain.

The legislature therefore finds that it is important to address the opioid epidemic in the workers' compensation system in a manner similar to the way opioid use has been addressed in other areas of state law.

Accordingly, the purpose of this Act is to:

- (1) Require health care providers in the workers' compensation system who are authorized to prescribe opioids to adopt and maintain policies for informed consent to opioid therapy in circumstances that carry elevated risk of dependency; and
- (2) Establish limits for concurrent opioid and benzodiazepine prescriptions in the workers' compensation system.

SECTION 2. Chapter 386, Hawaii Revised Statutes, is amended by adding two new sections to be appropriately designated and to read as follows:

“§386-A Opioid therapy; qualifying injured employees; informed consent process. (a) Beginning on July 1, 2019, any health care provider authorized to prescribe opioids shall adopt and maintain a written policy or policies that include execution of a written agreement to engage in an informed consent process between the health care provider authorized to prescribe opioids and a qualifying injured employee.

(b) If the qualifying injured employee is unable to physically or mentally execute the written agreement pursuant to subsection (a), due to the injury, then the physician shall execute the agreement as soon as the employee's condi-

tion improves. At no time shall the employee be responsible for the payment of the medication prescribed.

(c) The department shall make available on its website a copy of the template for an opioid therapy informed consent process agreement developed by the department of health pursuant to section 329-38.5(b). The template shall be posted to the department's website no later than December 31, 2018.

(d) For the purposes of this section, "qualifying injured employee" means:

- (1) An injured employee requiring opioid treatment for more than three months;
- (2) An injured employee who is prescribed benzodiazepines and opioids together; or
- (3) An injured employee who is prescribed a dose of opioids that exceeds ninety morphine equivalent doses.

(e) A violation of this section shall not be subject to the penalty provisions of part IV of chapter 329.

§386-B Qualifying injured employees; initial concurrent prescriptions; opioids and benzodiazepines. (a) Initial concurrent prescriptions for opioids and benzodiazepines shall not be for longer than seven consecutive days unless a supply of longer than seven days is determined to be reasonably needed for the treatment of:

- (1) Pain experienced while the qualifying injured employee is in post-operative care;
- (2) Chronic pain and pain management;
- (3) Substance abuse or opioid or opiate dependence;
- (4) Cancer;
- (5) Pain experienced while the qualifying injured employee is in palliative care; or
- (6) Pain experienced while the qualifying injured employee is in hospice care;

provided that if a health care provider authorized to prescribe opioids issues a concurrent prescription for more than a seven-day supply of an opioid and benzodiazepine, the health care provider shall document in the qualifying injured employee's medical record the condition for which the health care provider issued the prescription and that an alternative to the opioid and benzodiazepine was not appropriate treatment for the condition.

(b) After an initial concurrent prescription for opioids and benzodiazepines has been made, a health care provider authorized to prescribe opioids may authorize subsequent prescriptions through a telephone consultation with the qualifying injured employee when the health care provider deems such action to be reasonably needed for post-operative care and pain management; provided that the health care provider shall consult with a qualifying injured employee in person at least once every ninety days for the duration during which the health care provider concurrently prescribes opioids and benzodiazepines to the qualifying injured employee.

(c) For the purposes of this section, "qualifying injured employee" has the same meaning as in section 386-A."

SECTION 3. Section 386-21.7, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) Notwithstanding any other provision to the contrary, immediately after a work injury is sustained by an employee and so long as reasonably needed, the employer shall furnish to the employee all prescription drugs as the

nature of the injury requires[-]; provided that initial concurrent prescriptions for opioids and benzodiazepines shall meet the requirements of section 386-B. The liability for the prescription drugs shall be subject to the deductible under section 386-100.”

SECTION 4. In codifying the new sections added by section 2 and referenced in section 3 of this Act, the revisor of statutes shall substitute appropriate section numbers for the letters used in designating the new sections in this Act.

SECTION 5. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.¹

SECTION 6. This Act shall take effect upon its approval.

(Approved July 9, 2018.)

Note

1. Edited pursuant to HRS §23G-16.5.

ACT 156

H.B. NO. 2259

A Bill for an Act Relating to Marine Events.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature recognizes that marine events often require more than one year of advance planning in light of the many responsibilities involved. For example, if ocean access during an event will be from private property, the permit applicant must provide proof of permission from the landowner before a permit may be issued. Event organizers experience hardships when the department of land and natural resources is unable to approve or deny permit applications well in advance of proposed events. The legislature finds that many individuals have expressed interest in applying to the department of land and natural resources for marine event permits up to one year in advance of an event.

The legislature is also aware of the immense popularity of regattas, marine parades, surfing contests, and other marine events in the State. During these events, ocean conditions can be extremely hazardous to both participants and spectators. Furthermore, spectators may use vessels, thrill craft, drones, and other means to observe and capture photos and videos of these events, which may interfere with the event, infringe upon an event organizer’s exclusive use of areas designated for use during the event, and put event participants at risk of serious injury or death. These issues arose during recent surf contests, such as the Peahi Challenge and the Quiksilver in Memory of Eddie Aikau.

Accordingly, the purpose of this Act is to:

- (1) Prohibit the holding of a marine event without a permit from the department of land and natural resources or prior authorization from the United States Coast Guard;
- (2) Allow individuals to apply for marine event permits up to one year in advance of the date of a proposed marine event; and
- (3) Authorize the department of land and natural resources to adopt rules to mitigate the hazards posed by vessels, thrill craft, drones, and other means used by spectators to observe or record regattas,

marine parades, surfing contests, and other marine events in the waters of the State.

SECTION 2. Chapter 200, Hawaii Revised Statutes, is amended by adding two new sections to part II to be appropriately designated and to read as follows:

“§200- Marine events; permits; exclusive use; cancellation fee. (a) No person shall hold a marine event, including but not limited to a regatta, marine parade, or surfing contest, without written authorization from the department; provided that the department’s written authorization is not required if prior authorization has been secured from the Coast Guard.

(b) Authorization shall be in the form of a permit. All permits and permit applications shall be subject to the following:

- (1) Permit applications shall be on a form prescribed by the department;
- (2) Permit applications may be submitted to the department up to one year in advance of the date of a proposed event;
- (3) The applicant shall submit the completed application, proof of valid insurance, and proof of approval from the land owner;
- (4) The department shall use its best efforts to grant or deny a permit within thirty days of receiving a permit application;
- (5) The department shall charge a fee for issuance of marine use permits under this section and collect an additional \$250 nonrefundable deposit, which shall be retained by the department if the permit is canceled within sixty days of the scheduled date of the marine event;
- (6) The department may issue an exclusive marine use permit to an applicant to confer upon the applicant the use of state waters and other areas under the jurisdiction of the State that have been specifically designated for use during the marine event, to the exclusion of all others who are not the applicant or event participants; provided that the department shall charge an exclusive marine use permit fee for the permit, which shall be higher than the permit fee charged pursuant to paragraph (5); and
- (7) Any applicant who has been granted a permit under this section and wants to cancel the permit shall request a cancellation from the department in writing. If an applicant who has been granted a permit under this section submits a cancellation request to the department less than ninety calendar days before the scheduled date of the marine event, the department may assess a cancellation fee.

The marine use permit fee, exclusive marine use permit fee, and cancellation fee amounts to be charged by the department pursuant to this subsection shall be determined by the department.

(c) The department may adopt rules, pursuant to chapter 91, necessary to effectuate this section.

(d) As used in this section, “marine event” means an organized water event of limited duration that is conducted according to a prearranged schedule, and by its nature, circumstances, or location, will introduce extra or unusual hazards to the safety of persons or property in the waters of the State.

§200- Event spectators; hazards; mitigation. The department may adopt rules, pursuant to chapter 91, to mitigate the hazards posed by vessels, thrill craft, drones, and other means used by spectators to observe or record regattas, marine parades, surfing contests, and other marine events held in the wa-

ters of the State; provided that the department shall consult the department of transportation and the Federal Aviation Administration before adopting rules regulating the use of drones.”

SECTION 3. The department of land and natural resources shall submit a report of its progress in implementing the permitting process and adopting rules pursuant to section 2 of this Act, including any proposed legislation, to the legislature no later than twenty days prior to the convening of the regular session of 2019.

SECTION 4. New statutory material is underscored.¹

SECTION 5. This Act shall take effect on July 1, 2018.

(Approved July 9, 2018.)

Note

1. Edited pursuant to HRS §23G-16.5.

ACT 157

S.B. NO. 2046

A Bill for an Act Relating to Firearms.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Chapter 134, Hawaii Revised Statutes, is amended by adding a new section to part I to be appropriately designated and to read as follows:

“§134- Bump fire stock, multiburst trigger activator, or trigger crank; prohibition. (a) Any person in this State who manufactures or causes to be manufactured, imports into the State, keeps for sale, or offers or exposes for sale, or who gives, lends, or possesses any bump fire stock, multiburst trigger activator, or trigger crank shall be guilty of a class C felony.

(b) As used in this section:

“Bump fire stock” means a butt stock designed to be attached to a semi-automatic firearm and designed, made, or altered to increase the rate of fire achievable with such firearm by using energy from the recoil of the firearm to generate a reciprocating action that facilitates repeated activation of the trigger.

“Multiburst trigger activator” means:

- (1) A device that simulates automatic gunfire by allowing standard function of a semiautomatic firearm with a static positioned trigger finger or a device that fires multiple shots with the pull and release of the trigger; or
- (2) A manual or power-driven trigger activating device constructed and designed so that when attached to a semiautomatic firearm it simulates automatic gunfire.

“Trigger crank” means any device to be attached to a semiautomatic firearm that repeatedly activates the trigger of the firearm through the use of a lever or other part that is turned in a circular motion, but does not include any firearm initially designed and manufactured to fire through the use of a crank or lever.”

SECTION 2. New statutory material is underscored.¹

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SECTION 3. This Act shall take effect upon its approval.

(Approved July 9, 2018.)

Note

1. Edited pursuant to HRS §23G-16.5.

ACT 158

S.B. NO. 2436

A Bill for an Act Relating to Firearms.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 134-7.3, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

“(b) Any person disqualified from ownership, possession, or control of firearms and ammunition under section 134-7, within seven days of disqualification, shall voluntarily surrender all firearms and ammunition to the chief of police where the person resides or dispose of all firearms and ammunition. If any person fails to voluntarily surrender or dispose of all firearms and ammunition within ~~[thirty]~~ seven days from the date of disqualification, the chief of police may seize all firearms and ammunition.”

SECTION 2. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect on July 1, 2018.

(Approved July 9, 2018.)

ACT 159

H.B. NO. 2742

A Bill for an Act Relating to Medical Cannabis.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The purpose of this Act is to establish the office of medical cannabis control and regulation, which shall be responsible for implementing the medical cannabis dispensary system and administering the medical cannabis patient registry.

SECTION 2. Chapter 329D, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

“**§329D- Office of medical cannabis control and regulation; established; duties.** (a) There is established within the department the office of medical cannabis control and regulation, which shall report to the deputy director of health resources administration.

(b) The office of medical cannabis control and regulation shall administer medical cannabis dispensary licensure and regulation, pursuant to this chapter, and the registration of qualifying patients and primary caregivers, pursuant to part IX of chapter 329.”

SECTION 3. Section 329D-27, Hawaii Revised Statutes, is amended by amending subsections (b) and (c) to read as follows:

“(b) No later than January 4, 2016, the department shall adopt interim rules, which shall be exempt from chapter 91 and chapter 201M, to effectuate the purposes of this chapter; provided that the interim rules shall remain in effect until July 1, [~~2020;~~] 2025, or until rules are adopted pursuant to subsection (a), whichever occurs sooner.

(c) The department may amend the interim rules, and the amendments shall be exempt from chapters 91 and 201M, to effectuate the purposes of this chapter; provided that any amended interim rules shall remain in effect until July 1, [~~2020;~~] 2025, or until rules are adopted pursuant to subsection (a), whichever occurs sooner.”

SECTION 4. Act 241, Session Laws of Hawaii 2015, section 14, as amended by Act 41, Session Laws of Hawaii 2017, section 11, is amended to read as follows:

“SECTION 14. For the purposes of effectuating this Act, the personnel hired and the contracts entered into by the department of health, pursuant to this Act, shall be exempt from chapter 76, Hawaii Revised Statutes, for a period beginning on July 1, 2015, and ending on June 30, [~~2020;~~] 2025; provided that:

- (1) All personnel actions taken pursuant to this Act by the department of health after June 30, [~~2020;~~] 2025, shall be subject to chapter 76, Hawaii Revised Statutes, as appropriate; and
- (2) Any employee hired by the department of health to effectuate this Act, who occupies a position exempt from civil service on July 1, [~~2020;~~] 2025, shall:
 - (A) Be appointed to a civil service position; and
 - (B) Not suffer any loss of prior service credit, vacation or sick leave credits previously earned, or other employee benefits or privileges;

provided that the employee possesses the minimum qualifications and public employment requirements for the class or position to which appointed; provided further that subsequent changes in status shall be made pursuant to applicable civil service and compensation laws.”

SECTION 5. All appropriations, records, equipment, machines, files, supplies, contracts, books, papers, documents, maps, and other personal property heretofore made, used, acquired, or held by the office of health care assurance relating to the functions transferred to the office of medical cannabis control and regulation shall be transferred with the functions to which they relate.

SECTION 6. Employees performing duties related to medical cannabis dispensary licensure and regulation pursuant to chapter 329D, Hawaii Revised Statutes, and relating to the registration of qualifying patients pursuant to section 329-123, Hawaii Revised Statutes, shall be transferred to the office of medical cannabis control and regulation without loss of salary, seniority (except as prescribed by applicable collective bargaining agreements), retention points,

prior service credit, any vacation and sick leave credits previously earned, and other rights, benefits, and privileges, in accordance with state personnel laws and this Act; provided that the employees possess the minimum qualifications and public employment requirements for the class or position to which transferred or appointed, as applicable; provided further that subsequent changes in status may be made pursuant to applicable civil service and compensation laws.

Notwithstanding section 76-16(b)(17)(A), Hawaii Revised Statutes, to the contrary, any employee who, prior to this Act, is exempt from civil service and is transferred as a consequence of this Act may retain the employee's exempt status, but shall not be appointed to a civil service position as a consequence of this Act. An exempt employee who is transferred by this Act shall not suffer any loss of prior service credit, vacation or sick leave credits previously earned, or other employee benefits or privileges as a consequence of this Act; provided that the employees possess legal and public employment requirements for the position to which transferred or appointed, as applicable; provided further that subsequent changes in status may be made pursuant to applicable employment and compensation laws.

SECTION 7. There is appropriated out of the general revenues of the State of Hawaii the sum of \$140,000 or so much thereof as may be necessary for fiscal year 2018-2019 for staff and operations of the office of medical cannabis control and regulation, including the establishment of four full-time equivalent (4.00 FTE) positions.

The sum appropriated shall be expended by the department of health for the purposes of this Act.

SECTION 8. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.¹

SECTION 9. This Act shall take effect on July 1, 2018.

(Approved July 10, 2018.)

Note

1. Edited pursuant to HRS §23G-16.5.

ACT 160

S.B. NO. 134

A Bill for an Act Relating to the University of Hawaii.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds in accordance with article X, section 6, of the state constitution that this Act is of statewide concern.

The legislature further finds that tobacco use is the single most preventable cause of death in the United States, with tobacco-related diseases resulting in \$96,000,000,000 in health care costs annually. The 2012 United States Surgeon General Report states that tobacco use and exposure to secondhand smoke are serious public health concerns and there is no safe level of exposure to environmental tobacco smoke.

Additional concerns have been raised about the growing popularity of electronic smoking devices. Sales of electronic smoking devices in the United States have doubled each year since 2008, with sales in 2013 estimated to have

reached \$1,700,000,000. Due to the relative lack of research data on electronic smoking devices, many public health organizations and policymakers are concerned about the safety and impact of these products on public health.

Smoking and tobacco use is already prohibited in over seven hundred sixty college and university campuses in the United States. Many colleges and universities are also including electronic smoking devices in their campus-wide bans. Smoking and tobacco use on University of Hawaii premises presents substantial fiscal burdens on employee health care costs, absenteeism, and turnover; the maintenance and upkeep of physical facilities; fire risks and losses; and litter control, as well as imposes an adverse impact on the surrounding land and water environments.

University of Hawaii's executive policy E10.102 prohibits smoking under certain circumstances, but the policy does not make all campuses smoke- and tobacco-free.

The purpose of this Act is to promote positive health practices and protect University of Hawaii students, employees, and visitors from exposure to secondhand smoke and other potentially harmful substances by prohibiting smoking, including the use of electronic smoking devices, and tobacco use on University of Hawaii premises.

SECTION 2. Chapter 304A, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

“§304A- Smoking and tobacco use prohibited; University of Hawaii premises. (a) Notwithstanding chapter 328J to the contrary, the University of Hawaii shall prohibit smoking and tobacco use by any person on University of Hawaii premises, to the extent that such a prohibition is not prohibited by federal law. Mere possession or storage of a cigarette, tobacco product, or electronic smoking device for use outside the University of Hawaii premises shall not constitute a violation under this section.

(b) The University of Hawaii shall be responsible for educating students, employees, and visitors about the smoking and tobacco use prohibitions under this section. Clearly legible signs shall be prominently displayed at all entrances to the premises and at other conspicuous outdoor locations throughout the premises and shall state that smoking, including the use of electronic smoking devices, and tobacco use, are prohibited by law.

(c) As used in this section:

“Cigarette” has the same meaning as in section 486P-1.

“Electronic smoking device” means any electronic product that can be used to aerosolize and deliver nicotine or other substances to the person inhaling from the device including but not limited to an electronic cigarette, electronic cigar, electronic cigarillo, electronic pipe, hookah pipe, or hookah pen, and any cartridge or other component of the device or related product, whether or not sold separately.

“Premises” means all indoor and outdoor areas within property owned or controlled by the University of Hawaii or for which the university is otherwise responsible.

“Smoke” or “smoking” means inhaling, exhaling, burning, or carrying any lighted or heated tobacco product or plant product intended for inhalation in any manner or in any form. “Smoking” includes the use of an electronic smoking device.

“Tobacco product” means any product made or derived from tobacco that contains nicotine or other substances, and is intended for human consumption or is likely to be consumed, whether smoked, heated, chewed, absorbed,

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dissolved, inhaled, or ingested by any other means, including but not limited to a cigarette, cigar, pipe tobacco, chewing tobacco, snuff, snus, or an electronic smoking device. "Tobacco product" does not include drugs, devices, or combination products approved for sale by the United States Food and Drug Administration, as those terms are defined in the Federal Food, Drug, and Cosmetic Act.

"Tobacco use" means the personal use of any tobacco product, including the use of smokeless tobacco."

SECTION 3. New statutory material is underscored.¹

SECTION 4. This Act shall take effect upon its approval.

(Approved July 10, 2018.)

Note

1. Edited pursuant to HRS §23G-16.5.

ACT 161

S.B. NO. 2488

A Bill for an Act Relating to Medical Cannabis.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that, among other things, Act 230, Session Laws of Hawaii 2016, established a legislative oversight working group to develop and recommend legislation to improve the medical cannabis dispensary system in the State to ensure safe and legal access to medical cannabis for qualifying patients. The working group is tasked with addressing issues related to the medical cannabis dispensary program in the State, including operations, edibles, and any issues the working group finds relevant to the medical cannabis dispensary program.

The legislature further finds that one of the topics considered by the working group was the potential for medical cannabis to be reimbursable via health insurance. However, because the issues surrounding the topic of insurance reimbursement for medical cannabis are extremely complex, the legislature concludes it is prudent to establish a separate working group specifically tasked with addressing this topic.

Accordingly, the purpose of this Act is to establish a working group to address reimbursement by health insurance for medical cannabis for qualifying patients.

SECTION 2. (a) There is established the medical cannabis insurance reimbursement working group to address the complexities surrounding the topic of making medical cannabis reimbursable by health insurance. The working group shall explore options and make recommendations on the following issues:

- (1) Actions taken in other states;
- (2) Potential parallel reimbursement models for other types of non-prescription therapies;
- (3) Associated liability issues for health plans;
- (4) The potential impact on insurance premiums;
- (5) Insurance riders for alternative therapies, which could serve as a model for medical cannabis reimbursement; and

- (6) Other relevant issues that may arise, at the discretion of the working group.
- (b) The working group shall consist of the following members:
 - (1) The chairs of the senate committee on commerce, consumer protection, and health and the house committee on consumer protection and commerce, or their designees, who shall serve as the chairs of the working group;
 - (2) The chair of the house committee on health and human services;
 - (3) A member of the senate who is selected by the president of the senate to serve on the working group;
 - (4) The insurance commissioner;
 - (5) The administrator of the department of human services, med-QUEST division;
 - (6) One representative each from the following, to serve at the invitation of the chairs of the working group:
 - (A) A mutual benefit society;
 - (B) A health maintenance organization;
 - (C) A medicaid managed care plan; and
 - (D) A licensed medical cannabis dispensary; and
 - (7) Two participants in Hawaii's medical cannabis program, one of whom is a qualifying patient eighteen years of age or older, and one of whom is a parent or legal guardian of a qualifying patient who is under the age of ten.
- (c) The working group shall be officially convened at the pleasure of the chairs of the working group, but no later than August 1, 2018.
- (d) The working group may request assistance and feedback from subject matter experts and other stakeholders, as needed, to enable the working group to carry out its work.
- (e) The working group shall provide periodic updates to the legislature and shall make recommendations for any legislative or administrative action the working group deems appropriate to address issues surrounding health insurance reimbursement for medical cannabis. The working group shall submit a final report, including recommendations for further action, to the legislature no later than twenty days prior to the convening of the regular session of 2019.
- (f) The legislative reference bureau is requested to provide assistance, including research and drafting, to the working group.

SECTION 3. This Act shall take effect upon its approval.

(Approved July 10, 2018.)

ACT 162

H.B. NO. 2375

A Bill for an Act Relating to Temporary Disability Insurance.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 392-26, Hawaii Revised Statutes, is amended as follows:

1. By amending its title and subsection (a) to read:

“§392-26 Care by physician, advanced practice registered nurse, or equivalent required. (a) An individual shall be ineligible to receive temporary disability benefits with respect to any period during which the individual is not under the

care of a person duly licensed to practice medicine, surgery, dentistry, chiropractic, osteopathy, or naturopathic medicine, or an advanced practice registered nurse, who shall certify, in the form and manner specified by [regulation] rule of the director, the disability of the claimant, the probable duration [thereof,] of the disability, and such other medical facts within the person's knowledge as required by [regulation-] rule."

2. By amending subsection (c) to read:

"(c) The proof of disability duly certified by a person licensed to practice medicine, surgery, dentistry, chiropractic, osteopathy, or naturopathic medicine, or an advanced practice registered nurse, or an authorized or accredited practitioner of any group [which] that depends for healing upon prayer or other spiritual means shall be submitted by [such] the certifying person to the disabled employee within seven working days after the date on which the employee was examined and found disabled. If the certifying person fails to submit the required proof within seven working days, the director, upon notification by the insurer, may levy a penalty of \$25 for each delinquent certification where the certifying person fails to show good cause for the person's failure to file on time."

SECTION 2. Section 392-51, Hawaii Revised Statutes, is amended to read as follows:

"[H§392-51] Failure to submit timely wage and employment information. An employer to whom an insurer has sent a request for information on wages, hours, and duration of employment regarding an employee claiming disability benefits shall complete and submit such information within seven days from the date the request was received. If the employer fails to submit [such] the information within seven days, the director upon notification by the insurer shall levy a penalty of [\\$10] \$250 for each delinquent request where the employer fails to show good cause for failure to file on time."

SECTION 3. Section 392-72, Hawaii Revised Statutes, is amended to read as follows:

"§392-72 Appeals, filing, and hearing. (a) If a person disputes the amount of benefits, paid under part III or part IV, or the denial of benefits, the claimant may file an appeal, in the form and manner prescribed by [regulation] rule of the director, at the office of the department [in the county in which the claimant resides or in the county in which the claimant was employed prior to the claimant's disability], within twenty days after the date of payment of such disputed benefits or the denial thereof. Notice of the appeal shall be served upon the employer or insurer or the trust fund for disability benefits in the form and manner prescribed by [regulation] rule of the director. Notice of a hearing of an appeal shall be sent by electronic service or by first-class mail to the claimant and insurer or employer or trust fund for disability benefits at least fifteen calendar days prior to the hearing. If notice sent by electronic service or by first-class mail is attempted but not made, and the department has been unable to ascertain the address of the party after reasonable and diligent inquiry, the notice of hearing may be given to the party by online posting on the department's webpage. The online posting shall appear at least fifteen calendar days prior to the date of the hearing. The online posting shall be removed from the webpage no less than five business days after the date of the hearing.

(b) The appeal [shall] may be heard in [the] any county [in which the appeal is filed; provided that the director may by regulation provide for good cause for the holding of a hearing in another county], and the parties may appear

at the hearing in person, by telephone, or by other communication devices approved by the department, or by a combination of the preceding methods. The parties shall be provided with notice of the hearing and shall be provided with the opportunity to object to the hearing being held in a county other than the county in which the claimant resides or in which the claimant was employed prior to the claimant's disability. Upon such objection, the hearing shall be heard in the county in which the claimant resides or in which the claimant was employed prior to the claimant's disability. Failure of a party to object to the location of the hearing within the time specified in the notice shall be deemed consent by the party to the location of the hearing. The department may provide for the taking of depositions. Unless the appeal is withdrawn with the permission of the referee, the referee after affording the parties reasonable opportunity for a fair hearing shall make findings and conclusions and on the basis thereof affirm, modify, or deny the disputed benefits. In the event any party fails to appear at the hearing, the referee shall issue a decision based on the available information. All parties shall be promptly notified of the decision of the referee and shall be furnished with a copy of the decision and the findings and conclusions in support [thereof and the] of the decision. The decision shall be final and shall be binding unless a proceeding for judicial review is initiated pursuant to section 392-75; provided that within the time provided for taking an appeal and prior to the filing of a notice of appeal, the referee may reopen the matter, upon application of the director or any party, or upon the referee's own motion, and thereupon may take further evidence or may modify the referee's decision, findings, or conclusions. In the event the matter is reopened, the referee shall render a further decision in the matter, either reaffirming or modifying the referee's original decision, and notice shall be given thereof in the manner hereinbefore provided. The time to initiate judicial review shall run from the notice of such further decision if the matter has been reopened."

SECTION 4. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 5. This Act shall take effect upon its approval.

(Approved July 10, 2018.)

ACT 163

S.B. NO. 2490

A Bill for an Act Relating to the Motor Vehicle Industry Licensing Act.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that due to Hawaii's remote location, motor vehicle manufacturers must make certain special considerations when creating programs applicable to franchised motor vehicle dealers located in the State. The legislature further finds that certain amendments to Hawaii's motor vehicle industry licensing laws are necessary to ensure a level playing field amongst the State's motor vehicle dealers.

Accordingly, the purpose of this Act is to modernize Hawaii's motor vehicle industry licensing laws by:

- (1) Specifying certain recall reimbursement or repair requirements for manufacturers where a stop-sale order has been issued;
- (2) Authorizing a license holder to engage in business at motor vehicle dealer locations that are affiliated by common ownership under the same license;

- (3) Clarifying when certain manufacturers' or distributors' sales or service performance standards shall be deemed unreasonable, arbitrary, or unfair; and
- (4) Prohibiting a manufacturer or distributor from requiring a dealer to perform certain construction or renovations to the dealer's facilities; purchase items for a dealership facility in certain circumstances; or provide certain information related to customer information, unless certain conditions are met.

SECTION 2. Chapter 437, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

“§437- Used vehicle recall; stop-sale orders. (a) A manufacturer shall compensate its new motor vehicle dealers for all labor and parts required by the manufacturer to perform recall repairs. Compensation for recall repairs shall be reasonable as described in subsection (e). If parts or a remedy are not reasonably available to perform a recall service or repair on a used vehicle held for sale by a dealer authorized to sell and service new vehicles of the same line make within thirty days of the manufacturer issuing the initial notice of recall, and the manufacturer has issued a stop-sale order on the vehicle, the manufacturer shall compensate the dealer at a prorated rate of at least one per cent of the value of the vehicle per month, beginning on the date that is thirty days after the date on which the stop-sale order was provided to the dealer until:

- (1) The date the recall or remedy parts are made available; or
- (2) The date the dealer sells, trades, or otherwise disposes of the affected used motor vehicle;

whichever is earlier.

(b) The value of a used vehicle shall be the average trade-in value for used vehicles as indicated in an independent third-party guide for the year, make, and model of the recalled vehicle.

(c) This section shall only apply to:

- (1) Used vehicles subject to a stop-sale order for which repair parts or a remedy remain unavailable for thirty days or longer and that:
 - (A) Are in the dealer's inventory at the time the stop-sale order was issued; or
 - (B) Are taken into the used vehicle inventory of the dealer as a result of a consumer trade-in incident to the purchase of a new or certified pre-owned used vehicle from the dealer after the stop-sale order was issued; and
- (2) New motor vehicle dealers holding an affected used vehicle for sale that is a line make that the dealer is franchised to sell or on which the dealer is authorized to perform recall repairs.

(d) Subject to the audit provisions of section 437-57, it shall be a violation of this section for a manufacturer to reduce the amount of compensation otherwise owed to an individual new motor vehicle dealer, whether through a chargeback, removal of the individual dealer from an incentive program, or reduction in amount owed under an incentive program solely because the new motor vehicle dealer has submitted a claim for reimbursement under this section; provided that this subsection shall not apply to an action by a manufacturer that is applied uniformly among all dealers of the same line make in the State.

(e) All reimbursement claims made by new motor vehicle dealers pursuant to this section for recall repairs, or for compensation where no part or repair is reasonably available and the vehicle is subject to a stop-sale order shall be subject to the same limitations and requirements as a warranty reimburse-

ment claim made under section 437-56 or 437-28(a)(21)(G). In the alternative, a manufacturer may compensate its franchised dealers under a national recall compensation program; provided that the compensation under the program is equal to or greater than that provided under subsection (a) or the manufacturer and dealer otherwise agree.

(f) Nothing in this section shall require a manufacturer to provide total compensation to a dealer that would exceed the total average trade-in value of the affected used motor vehicle, as originally determined under subsection (b).

(g) Any remedy provided to a dealer under this section is exclusive and may not be combined with any other state or federal recall compensation remedy.

(h) A manufacturer may direct the manner and method in which a dealer shall demonstrate the inventory status of an affected used motor vehicle to determine eligibility under this section; provided that the manner and method may not be unduly burdensome and may not require information that is unduly burdensome for a dealer to provide.

(i) For purposes of this section, a “stop-sale order” means a notification issued by a manufacturer to its franchised new motor vehicle dealers, stating that certain used vehicles in inventory should not be sold or leased, at either retail or wholesale.”

SECTION 3. Section 437-2, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

“(b) A license issued under this chapter shall authorize the holder to engage in the same business at [~~branch~~]:

- (1) Branch locations in the same county for which the license is issued during the term thereof; provided that each branch location of a motor vehicle dealer is approved by the board[-]; or
- (2) Other motor vehicle dealer locations located in the same county and affiliated by common ownership with the location for which the license is issued during the term thereof; provided that each motor vehicle dealer location affiliated by common ownership shall obtain prior approval from the board before transferring salespersons between dealer locations.

For purposes of this subsection, “common ownership” shall include entities that have the same exact ownership, whether through individuals, corporations, trusts, or other entities.”

SECTION 4. Section 437-52, Hawaii Revised Statutes, is amended to read as follows:

“~~[[§437-52]]~~ **Reciprocal rights and obligations among dealers, manufacturers, and distributors of motor vehicles.** (a) A manufacturer or distributor shall not:

- (1) Require any dealer in the State to enter into any agreement with the manufacturer or distributor or any other party that requires the law of another jurisdiction to apply to any dispute between the dealer and manufacturer or distributor, or requires that the dealer bring an action against the manufacturer or distributor in a venue outside of Hawaii, or requires the dealer to agree to arbitration or waive its rights to bring a cause of action against the manufacturer or distributor, unless done in connection with a settlement agreement to resolve a matter or pending dispute between a manufacturer or distributor, or officer, agent, or other representative thereof, and the dealer; provided~~[-however,]~~ that such agreement has been entered

- voluntarily for adequate and valuable consideration; and provided further that the renewal or continuation of a franchise agreement shall not by itself constitute adequate and valuable consideration;
- (2) Require any dealer in the State to enter into any agreement with the manufacturer or distributor or any other party, to prospectively assent to a release, assignment, novation, waiver, or estoppel, which instrument or document operates, or is intended by the applicant or licensee to operate, to relieve any person from any liability or obligation of this chapter, unless done in connection with a settlement agreement to resolve a matter or pending dispute between a manufacturer or distributor, or officer, agent, or other representative thereof, and the dealer; provided~~[- however,]~~ that such agreement has been entered voluntarily for adequate and valuable consideration; and provided further that the renewal or continuation of a franchise agreement shall not by itself constitute adequate and valuable consideration;
 - (3) Cancel or fail to renew the franchise agreement of any dealer in the State without providing notice, and without good cause and good faith, as provided in section 437-58;
 - (4) Refuse or fail to offer an incentive program, bonus payment, hold-back margin, or any other mechanism that effectively lowers the net cost of a vehicle to any franchised dealer in the State if the incentive, bonus, or holdback is made to one or more same line make dealers in the State;
 - (5) Unreasonably prevent or refuse to approve the relocation of a dealership to another site within the dealer's relevant market area. The dealer shall provide the manufacturer or distributor with notice of the proposed address and a reasonable site plan of the proposed location. The manufacturer or distributor shall approve or deny the request in writing no later than sixty days after receipt of the request. Failure to deny the request within sixty days constitutes approval;
 - (6) Require a dealer to construct, renovate, or make substantial alterations to the dealer's facilities unless the manufacturer or distributor can demonstrate that such construction, renovation, or alteration requirements are reasonable and justifiable based on reasonable business consideration, including current and reasonably foreseeable projections of economic conditions existing in the automotive industry at the time such action would be required of the dealer, and agrees to make a good faith effort to make available, at the dealer's option, a reasonable quantity and mix of new motor vehicles, which, after a reasonable analysis of market conditions, are projected to meet the sales level necessary to support the increased overhead incurred by the dealer as a result of the required construction, renovation, or alteration; provided~~[- however,]~~ that a dealer may be required by a manufacturer or distributor to make reasonable facility improvements and technological upgrades necessary to support the technology of the manufacturer's or distributor's vehicles. If the dealer chooses not to make such facility improvements or technological upgrades, the manufacturer or distributor shall not be obligated to provide the dealer with the vehicles which require the improvements or upgrades~~;~~ or any corresponding incentives or benefits. A manufacturer or distributor may not require a dealer to construct, renovate, or make substantial alterations to the dealer's

facility if the dealer has completed a construction, renovation, or substantial alteration to the same component of the facility that was required and approved by the manufacturer or distributor within the previous ten years. For purposes of this paragraph, a “substantial alteration” means an alteration that has a major impact on the architectural features, characteristics, appearance, or integrity of a structure or lot. The term “substantial alteration” does not include routine maintenance, such as painting and repairs reasonably necessary to maintain a dealership facility in attractive condition, or any changes to items protected by federal intellectual property rights. If a dealer has completed facility construction, renovation, or substantial alteration under an incentive program, the manufacturer or distributor may not deny a dealer payment or benefits according to the terms of that program in place when the dealer began to perform under the program. If the incentive program under which the dealer completed a facility construction, renovation, or substantial alteration on or after January 1, 2016, does not contain a specific time period during which the manufacturer or distributor must provide payments or benefits to a dealer, then the manufacturer or distributor may not deny the dealer payment or benefits under the terms of that incentive program, as it existed when the dealer began to perform under the program for the balance of ten years after the manufacturer or distributor made the program available to the dealer, regardless of whether the manufacturer’s or distributor’s facility program has been changed or canceled. This paragraph shall not be construed to require a manufacturer or distributor to provide payment or benefits if changes have been made to the facility since the manufacturer’s or distributor’s approval that would render the facility non-compliant, regardless of whether the manufacturer’s or distributor’s image program has changed. Facility changes that are necessitated due to damage sustained from a natural disaster or as a result of necessary safety upgrades shall not be considered a change to the facility that renders the facility non-compliant; provided that those facility changes substantially restore the facilities to the previous or current compliant state. Eligibility for facility-related incentives under this paragraph shall not apply to:

- (A) Lump sum payments for the cost of the facility upgrade;
- (B) Payments on a per vehicle basis; and
- (C) Any facility-related incentive program in effect with one or more dealers in the State on the effective date of this Act.

Nothing in this paragraph shall be construed to allow a franchised motor vehicle dealer to impair or eliminate a manufacturer’s or distributor’s intellectual property or trademark rights and trade dress usage guidelines; impair other intellectual property interests owned or controlled by the manufacturer or distributor, including the design and use of signs; or refuse to change the design or branding of any signage or other branded items required by a manufacturer or distributor at any time, if the manufacturer or distributor requires those changes of all of its franchised dealers nationally;

- (7) Require the dealer to establish or maintain an exclusive showroom or facility unless justified by current and reasonably expected future economic conditions existing in the dealer’s market and the automobile industry at the time the request for an exclusive showroom or facility is made; provided that the foregoing shall not restrict the

- terms and conditions of any agreement for which the dealer has voluntarily accepted separate and valuable consideration;
- (8) Condition the award of an additional franchise on the dealer entering a site control agreement or the dealer waiving its rights to protest the manufacturer's or distributor's award of an additional franchise within the dealer's relevant market area; provided that the foregoing shall not restrict the terms and conditions of any agreement for which the dealer has voluntarily accepted separate and valuable consideration;
 - (9) Require a dealer or the dealer's employees to attend a training program that does not relate directly to the sales or service of a new motor vehicle in the line make of that sold or serviced, or both, by the dealer;
 - (10) Require a dealer to pay all or part of the cost of an advertising campaign or contest, or purchase any promotional materials, showroom, or other display decorations or materials at the expense of the dealer without the consent of the dealer, which consent shall not be unreasonably withheld;
 - (11) Implement or establish a customer satisfaction index or other system measuring a customer's degree of satisfaction with a dealer as a sale or service provider unless any such system is designed and implemented in such a way that is fair and equitable to both the manufacturer and the dealer. In any dispute between a manufacturer, distributor, and a dealer, the party claiming the benefit of the system as justification for acts in relation to the franchise shall have the burden of demonstrating the fairness and equity of the system both in design and implementation in relation to the pending dispute. Upon request of any dealer, a manufacturer or distributor shall disclose in writing to such dealer a description of how that system is designed and applied to such dealer;
 - (12) Implement or establish an unreasonable, arbitrary, or unfair sales or ~~other~~ service performance standard in determining a dealer's compliance with a franchise agreement~~[-or]~~. If the sales or service performance standard is to be used as the basis for a termination of a dealer, then the performance standard shall be deemed unreasonable, arbitrary, or unfair if the standard does not include material and relevant local market factors, including but not limited to the geography of the dealer's assigned territory as set forth in the franchise agreement, market demographics, change in population, product popularity, number of competitor dealers, and consumer travel patterns;
 - (13) Implement or establish a system of motor vehicle allocation or distribution to one or more of its dealers that is unfair, inequitable, or unreasonably discriminatory. As used in this paragraph, "unfair" includes without limitation, requiring a dealer to accept new vehicles not ordered by the dealer or the refusal or failure to offer to any dealer all models offered to its other same line make dealers in the State. The failure to deliver any motor vehicle shall not be considered a violation of this section if such failure is due to an act of God, work stoppage, or delay caused by a strike or labor difficulty, shortage of products or materials, freight delays, embargo, or other causes of which the motor vehicle franchisor shall have no control. Notwithstanding the foregoing, a dealer may be required by a manufacturer or distributor to make reasonable facility improvements

and technological upgrades necessary to support the technology of the manufacturer's or distributor's vehicles. If the dealer chooses not to make such facility improvements or technological upgrades, the manufacturer or distributor shall not be obligated to provide the dealer with the vehicles which require the improvements or upgrades[-]; or

- (14) Require a dealer that is constructing, renovating, or substantially altering its dealership facility to purchase goods, building materials, or services for the dealership facility, including but not limited to office furniture, design features, flooring, and wall coverings, from a vendor chosen by the manufacturer or distributor if: goods, building materials, or services of a substantially similar appearance, function, design, and quality are available from other sources; and the franchised motor vehicle dealer has received the manufacturer's or distributor's approval; provided that this approval shall not be unreasonably withheld or unreasonably delayed. In the event that a manufacturer or distributor does not approve the dealer's use of substantially similar goods, building materials, or services, the manufacturer or distributor shall provide the dealer, in writing at the time of disapproval, a detailed list of reasons why the proposed substantially similar items are not acceptable. Nothing in this paragraph shall be construed to allow a franchised motor vehicle dealer to impair or eliminate a manufacturer's or distributor's intellectual property or trademark rights and trade dress usage guidelines or impair other intellectual property interests owned or controlled by the manufacturer or distributor, including the design and use of signs.

(b) Notwithstanding the provisions of any franchise agreement, a manufacturer or distributor shall not require a dealer to provide its consumer and proprietary data, or access the dealer's data management system to obtain consumer and proprietary data, unless written consent is provided by the dealer.

(c) Notwithstanding the provisions of any franchise agreement, a manufacturer or distributor:

- (1) Shall allow a dealer to furnish consumer and proprietary data in a widely-accepted file format, such as comma-separated values, and through a third-party vendor selected by the dealer;
- (2) May not require a dealer to grant the manufacturer or distributor access to the dealer's data management system to obtain consumer and proprietary data;
- (3) May access or obtain consumer data directly from a dealer's data management system only with the express written consent of the dealer;
- (4) May not take any adverse action against a dealer for refusing to grant access to the dealer's data management system;
- (5) May require that a dealer of the manufacturer or distributor provide consumer data and proprietary data that pertains to any of the following:
 - (A) Claims for warranty parts or repairs;
 - (B) Data pertaining to the sale and delivery of a new or certified pre-owned vehicle of any line make of the manufacturer or distributor;
 - (C) Safety or recall obligations;
 - (D) Validation and payment of customer or dealer incentives;
 - (E) Analytics; or

- (F) Reasonable marketing purposes for the benefit of the providing dealer;
- (6) May not require a dealer to grant access to the dealer's data management system through the franchise agreement or as a condition of renewal or continuation of the franchise agreement;
- (7) May not release or cause to be released nonpublic personal information about a dealer's customers, as defined in title 15 United States Code section 6809(4), to:
 - (A) Another dealer unless the franchise has been terminated, the customer has relocated out of the State or to a different island in the State, or the dealer whose information is being released has provided written consent; or
 - (B) Any other third party unless the manufacturer or distributor provides the dealer with advanced written notice that the manufacturer or distributor intends to distribute the information to the third party; and
- (8) Shall indemnify the dealer for any third-party claims asserted against or damages incurred by the dealer to the extent the claims or damages are caused by the access to and unlawful disclosure of consumer and proprietary data resulting from a breach caused by the manufacturer or distributor or a third party to which the manufacturer or distributor has provided the consumer and proprietary data in violation of this section, the written consent granted by the dealer, or other applicable state or federal law.
 - (d) Written consent under subsection (c)(3):
 - (1) Shall be separate from the dealer franchise agreement;
 - (2) Shall be executed by the dealer; and
 - (3) May be withdrawn by the dealer upon thirty days' written notice to the manufacturer or distributor.
 - (e) For purposes of this section:

"Consumer and proprietary data" means a dealer's customer and prospective customer information, customer lists, service files, transaction data, or other proprietary business information. "Consumer and proprietary data" does not include the same or similar data which is obtained by a manufacturer from any other source.

"Data management system" means a computer hardware or software system that is owned, leased, or licensed by a dealer, including a system of web-based applications, and is located at the dealership or hosted remotely, which stores and provides access to consumer and proprietary data collected and which is stored by the dealer or on behalf of a dealer."

SECTION 5. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.¹

SECTION 6. This Act shall take effect on July 1, 2018.

(Approved July 10, 2018.)

Note

1. Edited pursuant to HRS §23G-16.5.

ACT 164

H.B. NO. 1652

A Bill for an Act Relating to Non-General Funds.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The purpose of this Act is to abolish various non-general funds and accounts pursuant to the recommendations by the auditor in auditor's report no. 17-10 and to transfer the unencumbered balances to the general fund.

SECTION 2. The est/adm license and permit tobacco and cigarette special fund is abolished and any remaining unencumbered balance shall lapse to the general fund.

SECTION 3. The IRS refund intercept trust account is abolished and any remaining unencumbered balance shall lapse to the general fund.

SECTION 4. The special enforcement section collections trust account is abolished and any remaining unencumbered balance shall lapse to the general fund.

SECTION 5. The taxes payable to counties - fuel trust accounts are abolished and any remaining unencumbered balances shall lapse to the general fund.

SECTION 6. This Act shall take effect on July 1, 2018.

(Approved July 10, 2018.)

ACT 165

H.B. NO. 2418

A Bill for an Act Relating to Funds Used for the Settlement of Claims.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The following sum, which was previously appropriated to the department of education through Act 49, Session Laws of Hawaii 2017, is authorized to be expended by the department of education for the purpose of satisfying class counsel's attorney's fees related to the following class action claim against the State or its officers or employees, in the amount set forth:

JUDGMENTS AGAINST THE STATE AND SETTLEMENTS OF CLAIMS:	AMOUNT
DEPARTMENT OF EDUCATION:	
E.R.K., et al. v. Department of Education,	\$ 1,500,000.00
et al., Civil No. 1:10-CV-00436 SOM-KSC, USDC	Settlement
TOTAL:	\$ 1,500,000.00

The sum authorized to be expended shall be expended by the department of education for the purposes of this Act.

SECTION 2. All unexpended and unencumbered balances of the sum authorized to be expended in section 1 of this Act as of the close of business on June 30, 2019, shall lapse.

SECTION 3. This Act shall take effect upon its approval.

(Approved July 10, 2018.)

A Bill for an Act Relating to Amending or Repealing Hawaii General Excise Tax Laws for the Purpose of Deleting Obsolete or Unnecessary Provisions.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that current statutory language relating to the imposition of the general excise tax contains provisions that are obsolete or unnecessary due to subsequent amendments and legislative exemptions for particular transactions, specifically:

- (1) Section 237-29.5, Hawaii Revised Statutes, which exempts transactions related to tangible personal property in foreign or interstate commerce;
- (2) Section 237-3, Hawaii Revised Statutes, which specifies that "gross proceeds of sale" includes only proceeds related to the sale of tangible personal property and excludes proceeds related to sale of securitized financial instruments or securitized transactions; and
- (3) Section 237-13(3)(B), Hawaii Revised Statutes, which allows construction contractors to claim a deduction for amounts paid to a subcontractor.

The purpose of this Act is to repeal certain obsolete or unnecessary provisions in statutory language relating to the imposition of the general excise tax in order to conform with other controlling state tax statutes.

SECTION 2. Section 237-13, Hawaii Revised Statutes, is amended to read as follows:

"§237-13 Imposition of tax. There is hereby levied and shall be assessed and collected annually privilege taxes against persons on account of their business and other activities in the State measured by the application of rates against values of products, gross proceeds of sales, or gross income, whichever is specified, as follows:

- (1) Tax on manufacturers.
 - (A) Upon every person engaging or continuing within the State in the business of manufacturing, including compounding, canning, preserving, packing, printing, publishing, milling, processing, refining, or preparing for sale, profit, or commercial use, either directly or through the activity of others, in whole or in part, any article or articles, substance or substances, commodity or commodities, the amount of the tax to be equal to the value of the articles, substances, or commodities, manufactured, compounded, canned, preserved, packed, printed, milled, processed, refined, or prepared for sale, as shown by the gross proceeds derived from the sale thereof by the manufacturer or person compounding, preparing, or printing them, multiplied by one-half of one per cent.
 - (B) The measure of the tax on manufacturers is the value of the entire product for sale~~, regardless of the place of sale or the fact that deliveries may be made to points outside the State.~~
 - (C) ~~If any person liable for the tax on manufacturers ships or transports the person's product, or any part thereof, out of the State, whether in a finished or unfinished condition, or sells the same for delivery to points outside the State (for example, consigned to a mainland purchaser via common carrier f.o.b. Honolulu), the value of the products in the condition or form~~

in which they exist immediately before entering interstate or foreign commerce, determined as hereinafter provided, shall be the basis for the assessment of the tax imposed by this paragraph. This tax shall be due and payable as of the date of entry of the products into interstate or foreign commerce, whether the products are then sold or not. The department shall determine the basis for assessment, as provided by this paragraph, as follows:

- (i) ~~If the products at the time of their entry into interstate or foreign commerce already have been sold, the gross proceeds of sale, less the transportation expenses, if any, incurred in realizing the gross proceeds for transportation from the time of entry of the products into interstate or foreign commerce, including insurance and storage in transit, shall be the measure of the value of the products;~~
 - (ii) ~~If the products have not been sold at the time of their entry into interstate or foreign commerce, and in cases governed by clause (i) in which the products are sold under circumstances such that the gross proceeds of sale are not indicative of the true value of the products, the value of the products constituting the basis for assessment shall correspond as nearly as possible to the gross proceeds of sales for delivery outside the State, adjusted as provided in clause (i), or if sufficient data are not available, sales in the State, of similar products of like quality and character and in similar quantities, made by the taxpayer (unless not indicative of the true value) or by others. Sales outside the State, adjusted as provided in clause (i), may be considered when they constitute the best available data. The department shall prescribe uniform and equitable rules for ascertaining the values;~~
 - (iii) ~~At the election of the taxpayer and with the approval of the department, the taxpayer may make the taxpayer's returns under clause (i) even though the products have not been sold at the time of their entry into interstate or foreign commerce; and~~
 - (iv) ~~In all cases in which products leave the State in an unfinished condition, the basis for assessment shall be adjusted so as to deduct the portion of the value as is attributable to the finishing of the goods outside the State].~~
- (2) Tax on business of selling tangible personal property; producing.
- (A) Upon every person engaging or continuing in the business of selling any tangible personal property whatsoever [~~not including, however, bonds or other evidence of indebtedness, or stocks~~], there is likewise hereby levied, and shall be assessed and collected, a tax equivalent to four per cent of the gross proceeds of sales of the business; provided that, in the case of a wholesaler, the tax shall be equal to one-half of one per cent of the gross proceeds of sales of the business; and provided further that insofar as the sale of tangible personal property is a wholesale sale under section 237-4(a)(8), the tax shall be one-half of one per cent of the gross proceeds. Upon every person engaging or continuing within this State in the business of a producer, the tax shall be equal to one-half of one

per cent of the gross proceeds of sales of the business, or the value of the products, for sale, if sold for delivery outside the State or shipped or transported out of the State, and the value of the products shall be determined in the same manner as the value of manufactured products covered in the cases under paragraph (1)(C).

- (B) Gross proceeds of sales of tangible property in interstate and foreign commerce shall constitute a part of the measure of the tax imposed on persons in the business of selling tangible personal property, to the extent, under the conditions, and in accordance with the provisions of the Constitution of the United States and the Acts of the Congress of the United States which may be now in force or may be hereafter adopted, and whenever there occurs in the State an activity to which, under the Constitution and Acts of Congress, there may be attributed gross proceeds of sales, the gross proceeds shall be so attributed.
- (C) No manufacturer or producer, engaged in such business in the State and selling the manufacturer's or producer's products for delivery outside of the State (for example, consigned to a mainland purchaser via common carrier f.o.b. Honolulu), shall be required to pay the tax imposed in this chapter for the privilege of so selling the products, and the value or gross proceeds of sales of the products shall be included only in determining the measure of the tax imposed upon the manufacturer or producer.
- (D) ~~[When a]~~ A manufacturer or producer, engaged in such business in the State, ~~[also is engaged in selling the manufacturer's or producer's products in the State at wholesale, retail, or in any other manner, the tax for the privilege of engaging in the business of selling the products in the State shall apply to the manufacturer or producer as well as the tax for the privilege of manufacturing or producing in the State, and the manufacturer or producer shall make the returns of the gross proceeds of the wholesale, retail, or other sales required for the privilege of selling in the State, as well as making the returns of the value or gross proceeds of sales of the products required for the privilege of manufacturing or producing in the State. The manufacturer or producer]~~ shall pay the tax imposed in this chapter for the privilege of selling its products in the State, and the value or gross proceeds of sales of the products, thus subjected to tax, may be deducted insofar as duplicated as to the same products by the measure of the tax upon the manufacturer or producer for the privilege of manufacturing or producing in the State; provided that no producer of agricultural products who sells the products to a purchaser who will process the products outside the State shall be required to pay the tax imposed in this chapter for the privilege of producing or selling those products.
- (E) A taxpayer selling to a federal cost-plus contractor may make the election provided for by paragraph (3)(C), and in that case the tax shall be computed pursuant to the election, notwithstanding this paragraph or paragraph (1) to the contrary.
- (F) The department, by rule, may require that a seller take from the purchaser of tangible personal property a certificate, in a

form prescribed by the department, certifying that the sale is a sale at wholesale; provided that:

- (i) Any purchaser who furnishes a certificate shall be obligated to pay to the seller, upon demand, the amount of the additional tax that is imposed upon the seller whenever the sale in fact is not at wholesale; and
 - (ii) The absence of a certificate in itself shall give rise to the presumption that the sale is not at wholesale unless the sales of the business are exclusively at wholesale.
- (3) Tax upon contractors.
- (A) Upon every person engaging or continuing within the State in the business of contracting, the tax shall be equal to four per cent of the gross income of the business.
 - (B) In computing the tax levied under this paragraph, there shall be deducted from the gross income of the taxpayer so much thereof as has been included in the measure of the tax levied under subparagraph (A), on[
 - (i) ~~Another] another~~ taxpayer who is a contractor, as defined in section 237-6;
 - ~~[(ii) A specialty contractor, duly licensed by the department of commerce and consumer affairs pursuant to section 444-9, in respect of the specialty contractor's business; or~~
 - ~~(iii) A specialty contractor who is not licensed by the department of commerce and consumer affairs pursuant to section 444-9, but who performs contracting activities on federal military installations and nowhere else in this State;]~~
- provided that any person claiming a deduction under this paragraph shall be required to show in the person's return the name and general excise number of the person paying the tax on the amount deducted by the person.
- (C) In computing the tax levied under this paragraph against any federal cost-plus contractor, there shall be excluded from the gross income of the contractor so much thereof as fulfills the following requirements:
 - (i) The gross income exempted shall constitute reimbursement of costs incurred for materials, plant, or equipment purchased from a taxpayer licensed under this chapter, not exceeding the gross proceeds of sale of the taxpayer on account of the transaction; and
 - (ii) The taxpayer making the sale shall have certified to the department that the taxpayer is taxable with respect to the gross proceeds of the sale, and that the taxpayer elects to have the tax on gross income computed the same as upon a sale to the state government.
 - (D) A person who, as a business or as a part of a business in which the person is engaged, erects, constructs, or improves any building or structure, of any kind or description, or makes, constructs, or improves any road, street, sidewalk, sewer, or water system, or other improvements on land held by the person (whether held as a leasehold, fee simple, or otherwise), upon the sale or other disposition of the land or improvements, even if the work was not done pursuant to a contract, shall be liable to the same tax as if engaged in the business of contracting, un-

less the person shows that at the time the person was engaged in making the improvements the person intended, and for the period of at least one year after completion of the building, structure, or other improvements the person continued to intend to hold and not sell or otherwise dispose of the land or improvements. The tax in respect of the improvements shall be measured by the amount of the proceeds of the sale or other disposition that is attributable to the erection, construction, or improvement of such building or structure, or the making, constructing, or improving of the road, street, sidewalk, sewer, or water system, or other improvements. The measure of tax in respect of the improvements shall not exceed the amount which would have been taxable had the work been performed by another, subject as in other cases to the deductions allowed by subparagraph (B). Upon the election of the taxpayer, this paragraph may be applied notwithstanding that the improvements were not made by the taxpayer, or were not made as a business or as a part of a business, or were made with the intention of holding the same. However, this paragraph shall not apply in respect of any proceeds that constitute or are in the nature of rent[; ~~all such gross income~~], which shall be taxable under paragraph (9); provided that insofar as the business of renting or leasing real property under a lease is taxed under section 237-16.5, the tax shall be levied by section 237-16.5.

- (4) Tax upon theaters, amusements, radio broadcasting stations, etc.
- (A) Upon every person engaging or continuing within the State in the business of operating a theater, opera house, moving picture show, vaudeville, amusement park, dance hall, skating rink, radio broadcasting station, or any other place at which amusements are offered to the public, the tax shall be equal to four per cent of the gross income of the business, and in the case of a sale of an amusement at wholesale under section 237-4(a)(13), the tax shall be one-half of one per cent of the gross income.
- (B) The department may require that the person rendering an amusement at wholesale take from the licensed seller a certificate, in a form prescribed by the department, certifying that the sale is a sale at wholesale; provided that:
- (i) Any licensed seller who furnishes a certificate shall be obligated to pay to the person rendering the amusement, upon demand, the amount of additional tax that is imposed upon the seller whenever the sale is not at wholesale; and
- (ii) The absence of a certificate in itself shall give rise to the presumption that the sale is not at wholesale unless the person rendering the sale is exclusively rendering the amusement at wholesale.
- (5) Tax upon sales representatives, etc. Upon every person classified as a representative or purchasing agent under section 237-1, engaging or continuing within the State in the business of performing services for another, other than as an employee, there is likewise hereby levied and shall be assessed and collected a tax equal to four per cent of the commissions and other compensation attributable to the services so rendered by the person.

- (6) Tax on service business.
- (A) Upon every person engaging or continuing within the State in any service business or calling including professional services not otherwise specifically taxed under this chapter, there is likewise hereby levied and shall be assessed and collected a tax equal to four per cent of the gross income of the business, and in the case of a wholesaler under section 237-4(a)(10), the tax shall be equal to one-half of one per cent of the gross income of the business.
- (B) The department may require that the person rendering a service at wholesale take from the licensed seller a certificate, in a form prescribed by the department, certifying that the sale is a sale at wholesale; provided that:
- (i) Any licensed seller who furnishes a certificate shall be obligated to pay to the person rendering the service, upon demand, the amount of additional tax that is imposed upon the seller whenever the sale is not at wholesale; and
- (ii) The absence of a certificate in itself shall give rise to the presumption that the sale is not at wholesale unless the person rendering the sale is exclusively rendering services at wholesale.
- (C) Where any person is engaged in the business of selling interstate or foreign common carrier telecommunication services within and without the State, other than as a home service provider, the tax shall be imposed on that portion of gross income received by a person from service which is originated or terminated in this State and is charged to a telephone number, customer, or account in this State notwithstanding any other state law (except for the exemption under section 237-23(a)(1)) to the contrary. If, under the Constitution and laws of the United States, the entire gross income as determined under this paragraph of a business selling interstate or foreign common carrier telecommunication services cannot be included in the measure of the tax, the gross income shall be apportioned as provided in section 237-21; provided that the apportionment factor and formula shall be the same for all persons providing those services in the State.
- (D) Where any person is engaged in the business of a home service provider, the tax shall be imposed on the gross income received or derived from providing interstate or foreign mobile telecommunications services to a customer with a place of primary use in this State when ~~such~~ the services originate in one state and terminate in another state, territory, or foreign country; provided that all charges for mobile telecommunications services which are billed by or for the home service provider are deemed to be provided by the home service provider at the customer's place of primary use, regardless of where the mobile telecommunications originate, terminate, or pass through; provided further that the income from charges specifically derived from interstate or foreign mobile telecommunications services, as determined by books and records that are kept in the regular course of business by the home service provider in accordance with section 239-24, shall be apportioned under

any apportionment factor or formula adopted under subparagraph (C). Gross income shall not include:

- (i) Gross receipts from mobile telecommunications services provided to a customer with a place of primary use outside this State;
- (ii) Gross receipts from mobile telecommunications services that are subject to the tax imposed by chapter 239;
- (iii) Gross receipts from mobile telecommunications services taxed under section 237-13.8; and
- (iv) Gross receipts of a home service provider acting as a serving carrier providing mobile telecommunications services to another home service provider's customer.

For the purposes of this paragraph, "charges for mobile telecommunications services", "customer", "home service provider", "mobile telecommunications services", "place of primary use", and "serving carrier" have the same meaning as in section 239-22.

- (7) Tax on insurance producers. Upon every person engaged as a licensed producer pursuant to chapter 431, there is hereby levied and shall be assessed and collected a tax equal to 0.15 per cent of the commissions due to that activity.
- (8) Tax on receipts of sugar benefit payments. Upon the amounts received from the United States government by any producer of sugar (or the producer's legal representative or heirs), as defined under and by virtue of the Sugar Act of 1948, as amended, or other Acts of the Congress of the United States relating thereto, there is hereby levied a tax of one-half of one per cent of the gross amount received; provided that the tax levied hereunder on any amount so received and actually disbursed to another by a producer in the form of a benefit payment shall be paid by the person or persons to whom the amount is actually disbursed, and the producer actually making a benefit payment to another shall be entitled to claim on the producer's return a deduction from the gross amount taxable hereunder in the sum of the amount so disbursed. The amounts taxed under this paragraph shall not be taxable under any other paragraph, subsection, or section of this chapter.
- (9) Tax on other business. Upon every person engaging or continuing within the State in any business, trade, activity, occupation, or calling not included in the preceding paragraphs or any other provisions of this chapter, there is likewise hereby levied and shall be assessed and collected, a tax equal to four per cent of the gross income thereof. In addition, the rate prescribed by this paragraph shall apply to a business taxable under one or more of the preceding paragraphs or other provisions of this chapter, as to any gross income thereof not taxed thereunder as gross income or gross proceeds of sales or by taxing an equivalent value of products, unless specifically exempted."

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect on July 1, 2018.

(Approved July 10, 2018.)

Note

- 1. So in original.

ACT 167

S.B. NO. 3002

A Bill for an Act Relating to Libraries.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 312-21, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

“(a) The state librarian shall:

- (1) Provide for the establishment and ongoing operation of a fee for enhanced service program, which includes but is not limited to the planning, programming, and budgeting of operating, research and development, and capital investment programs; ~~and]~~
- (2) Have the ability to designate one or more of the public library’s subordinates to be a notary public pursuant to section 456-18. Notwithstanding section 456-18, the designated subordinates, upon duly qualifying and receiving commissions as notaries public in government service, may administer oaths or take acknowledgements in nongovernmental matters, for which services the prescribed fees shall be demanded and received as governmental realizations and deposited into the library fee for enhanced services special fund; and
- (3) Administer ~~[a special fund to be known as]~~ the ~~[“]library fee for enhanced services special fund[”].~~”

SECTION 2. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 3. This Act shall take effect on July 1, 2018.

(Approved July 10, 2018.)

ACT 168

S.B. NO. 2384

A Bill for an Act Relating to Education.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. (a) The department of education may develop a comprehensive plan to integrate design thinking and coding in middle, intermediate, and high school curriculums. The plan shall include but not be limited to implementation dates and benchmarks to show progress of the implementation of design thinking and coding in middle, intermediate, and high school curriculums.

(b) Any such plan developed by the department of education, including any proposed legislation, shall be submitted to the legislature no later than twenty days prior to the convening of the regular session of 2019.

SECTION 2. This Act shall take effect on July 1, 2018.

(Approved July 10, 2018.)

A Bill for an Act Relating to Education.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Chapter 302A, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

“§302A- Schools; career pathways, academies, and programs; commercial enterprises. (a) Notwithstanding any law to the contrary, an individual department school or any career pathway, academy, or program operated within a school may engage in commercial enterprises that are related to the primary educational purposes of the school, career pathway, academy, or program as set forth in this chapter, including the sale of goods produced by or for an individual school, career pathway, academy, or program.

(b) The department may adopt rules pursuant to chapter 91 to carry out the purposes of this section.”

SECTION 2. New statutory material is underscored.¹

SECTION 3. This Act shall take effect on July 1, 2018.

(Approved July 10, 2018.)

Note

1. Edited pursuant to HRS §23G-16.5.

A Bill for an Act Relating to the Income Check-Off.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that the demand of Hawaii state public library system patrons for library books and materials, including electronic resources, is increasing every year. Since the initial adoption of the libraries special fund income tax check-off in 2003, the collection of the Hawaii state public library system has transitioned from a paper-based collection to one that includes library materials in a variety of different and new formats to keep up with advances in technology and in response to the requests of library patrons statewide.

The purpose of this Act is to provide an opportunity for the public to increase their support of the Hawaii state public library system by making a contribution to the libraries special fund, which is used to purchase additional library materials for the Hawaii state public library system collection.

SECTION 2. Section 235-102.5, Hawaii Revised Statutes, is amended by amending subsection (c) to read as follows:

“(c) Notwithstanding any law to the contrary, any individual whose state income tax refund for any taxable year is [~~\$2~~] \$5 or more may designate [~~\$2~~] \$5 of the refund to be paid over to the libraries special fund established by section 312-3.6, when submitting a state income tax return to the department. In the case of

a joint return of a ~~[husband and wife]~~ married couple having a state income tax refund of ~~[\$4] \$10~~ or more, each spouse may designate that ~~[\$2] \$5~~ be deposited into the special fund. The director of taxation shall revise the individual state income tax form to allow the designation of contributions to the fund on the face of the tax return and immediately above the signature lines. If no designation was made on the original tax return when filed, a designation may be made by the individual on an amended return filed within twenty months and ten days after the due date for the original return for ~~[such] that~~ taxable year. A designation once made, whether by an original or amended return, may not be revoked.”

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect on July 1, 2018, and shall be applicable to taxable years beginning after December 31, 2017.

(Approved July 10, 2018.)

ACT 171

H.B. NO. 2353

A Bill for an Act Relating to Public Libraries.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 312-2, Hawaii Revised Statutes, is amended to read as follows:

“§312-2 Powers of board; special fund. The board of education may:

- (1) Except as provided in section 312-3.9, make arrangements or contracts as are approved by the governor, with any county, city, association, society, person, or persons, for the purpose of benefiting the libraries and increasing their facilities and use;
- (2) Subject to section 26-12, enter into ~~[such] an~~ arrangement or contract as is approved by the governor, with the Friends of the Library of Hawaii, affiliates of the Friends of the Library of Hawaii, and any tax-exempt nonprofit organization recognized under section 501(c)(3) of the Internal Revenue Code whose primary purpose is to support a state library branch, for the purpose of obtaining the use of the books and property and income of the Friends of the Library of Hawaii, its affiliates, and ~~[such] the aforementioned~~ tax-exempt nonprofit organizations;
- (3) Cooperate by exchange and otherwise with libraries now existing or hereafter to be formed;
- (4) Receive, use, manage, or invest moneys or other property, real, personal, or mixed ~~[which] that~~ may be given, bequeathed, devised, or in any manner received from sources other than the legislature or any federal appropriation for any or all purposes of the libraries;
- (5) Deposit with the director of finance in ~~[a] the library~~ special fund all moneys donated to the board for library services;
- (6) Unless otherwise provided for by the terms and conditions of the donation, convert, at ~~[such] the~~ time as the board may at its sole discretion determine, any or all donations of property, real, personal, or mixed, into money to be deposited into the special fund; and

- (7) Expend the moneys in the special fund in accordance with the terms and conditions of each donation for the purposes of the libraries.

The board shall be the trustee of the special fund and all moneys therein shall be deemed to have been appropriated to the use and for the purposes of the Hawaii state public library system in providing library services. Nothing in this section shall be construed to limit the powers and duties of the board hereinbefore expressed, or to empower the board to obligate the State financially in any sum ~~[which] that~~ shall not have been appropriated by the legislature for the use of the board.”

SECTION 2. Section 312-3.5, Hawaii Revised Statutes, is amended to read as follows:

“§312-3.5 Detention of ~~[books and other]~~ public library materials; penalty. (a) A person who detains ~~[a book, newspaper, plate, picture, photograph, engraving, painting, drawing, map, magazine, document, letter, government record, microform, sound recording, audio-visual materials in any format, magnetic or other tapes, artifacts, or other documentary (written or printed)]~~ any public library materials belonging to any community, school, or public library ~~[or similar institution controlled by the State]~~ for one day after the due date of the public library materials, shall be subject to a nominal charge established by the board of education.

(b) A person detaining ~~[such books or]~~ any public library materials thirty days or more after the due date of the materials shall be subject to a charge commensurate with the replacement value of the ~~[books or]~~ public library materials.”

SECTION 3. Section 312-3.7, Hawaii Revised Statutes, is amended to read as follows:

“§312-3.7 ~~[Hawaii state library foundation trust] Friends of the library of Hawaii program fund.~~ (a) There is established as a separate fund of the ~~[Hawaii state library foundation,]~~ Friends of the Library of Hawaii, a Hawaii nonprofit corporation, the ~~[Hawaii state library foundation trust]~~ friends of the library of Hawaii program fund. All ~~[funds]~~ moneys contributed to the ~~[trust]~~ fund, including income and capital gains earned therefrom, shall be used exclusively for state library programs as defined in the articles, bylaws, resolutions, and other instruments executed on behalf of the ~~[Hawaii state library foundation]~~ Friends of the Library of Hawaii or by the state librarian. The ~~[trust]~~ fund may receive any and all types of private contributions, and the income and capital gains earned by the fund; provided that ~~[funds]~~ moneys or properties donated for library use and patrons’ deposits shall be deposited and accounted for in accordance with rules adopted by the comptroller. The ~~[trust]~~ fund shall be subject to the following restrictions:

- (1) All ~~[funds,]~~ moneys, and the income and capital gains earned by investment of those ~~[funds,]~~ moneys, shall be expended only for the support of state library programs; and
- (2) Other restrictions imposed by the legislature with respect to the transfer or appropriation of ~~[funds,]~~ moneys.

(b) Any ~~[funds]~~ moneys deposited in the ~~[trust]~~ fund, and any income and capital gains earned therefrom, not used for state library programs, shall be invested in accordance with the provisions of the articles, bylaws, resolutions, or other instruments executed on behalf of the ~~[Hawaii state library foundation,]~~

Friends of the Library of Hawaii, and in a manner intended to maximize the rate of return on investment of the fund.

(c) If the [~~trust~~] fund is terminated or the [~~Hawaii state library foundation~~] Friends of the Library of Hawaii is dissolved, all [~~funds,~~] moneys, including the income and capital gains earned by the investment of [~~funds,~~] moneys, shall be distributed in accordance with the articles and bylaws of the [~~Hawaii state library foundation~~] Friends of the Library of Hawaii.

(d) The [~~Hawaii state library foundation~~] Friends of the Library of Hawaii shall require an annual audit of the [~~trust~~] fund, the results of which shall be submitted to the board of education and the legislature not more than thirty days after receipt by the [~~foundation~~] Friends of the Library of Hawaii. The [~~foundation~~] Friends of the Library of Hawaii shall retain for a period of three years, any documents, papers, books, records, and other evidence that is pertinent to the [~~trust~~] fund, and permit inspection or access thereto by the board of education, the state librarian, the department of accounting and general services, state legislators, and the state auditor, or their duly authorized representatives.

(e) The purpose of this section is to create by statute a private charitable [~~trust~~] fund to financially support state library programs. The [~~trust~~] fund shall be subject to the terms and conditions provided in this section. The [~~trust~~] fund shall not be placed in the state treasury and the State shall not administer the fund nor be liable for its operation or solvency. The fund shall be a private charitable [~~trust fund administered by a private trust company as trustee~~] account in a federally insured financial institution with such account being held in the name of the Friends of the Library of Hawaii."

SECTION 4. Section 312-3.8, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

"(b) Notwithstanding any law to the contrary, all net proceeds received by the Friends of the Library of Hawaii from the operation of any concession, vending machine, or other activity through a state-wide contract within, or on the grounds of, any state library facility shall be deposited into the Friends of the Library of Hawaii [~~trust~~] program fund. All funds deposited into the [~~trust~~] program fund, including income and capital gains earned therefrom, shall be used exclusively for state library programs."

SECTION 5. Section 312-21, Hawaii Revised Statutes, is amended by amending subsections (a) and (b) to read as follows:

"(a) The state librarian shall:

- (1) Provide for the establishment and ongoing operation of a fee for enhanced [~~service~~] services program, which includes but is not limited to the planning, programming, and budgeting of operating, research and development, and capital investment programs; and
- (2) Administer a special fund to be known as the "library fee for enhanced services special fund".

(b) Notwithstanding [~~sections~~] section 312-3.6 [~~and 312-4~~], all moneys collected through the fee for enhanced services program shall be deposited into the library fee for enhanced services special fund established under section 312-22."

SECTION 6. Section 312-22, Hawaii Revised Statutes, is amended by amending subsections (b) and (c) to read as follows:

"(b) The special fund shall be administered by the state librarian who[~~after consultation with the library advisory committee~~] shall determine the annual amount that each public library shall receive. Allocations shall be based

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on the balance in the special fund on the first day of each fiscal year and made in quarterly installments not more than thirty days after the close of each fiscal quarter.

(c) Moneys allocated from the special fund shall be used by each community, school, or public library to operate its fee for enhanced services program. Each library shall post in a conspicuous place a list of expenditures made by the library from the special fund during the preceding fiscal quarter.”

SECTION 7. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 8. This Act shall take effect on July 1, 2018.

(Approved July 10, 2018.)

ACT 172

H.B. NO. 1938

A Bill for an Act Relating to School Buses.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 291C-95, Hawaii Revised Statutes, is amended by amending subsection (h) to read as follows:

“(h) Any person who violates this section shall be fined not more than \$500 or sentenced to perform community service, or both[-]; provided that any person who violates subsection (a) on a state highway shall be fined not more than \$1,000 or sentenced to perform community service, or both.”

SECTION 2. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect upon its approval.

(Approved July 10, 2018.)

ACT 173

S.B. NO. 2258

A Bill for an Act Relating to Licensing.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that under existing law, audiologists must be licensed as an audiologist under chapter 468E, Hawaii Revised Statutes, and as a hearing aid dealer and fitter, pursuant to chapter 451A, Hawaii Revised Statutes.

However, the legislature notes that an applicant for an audiologist license must meet education, examination, and training requirements that far surpass the licensing requirements for a hearing aid dealer and fitter. The legislature further finds that requiring audiologists to hold dual licensure as an audiologist

and a hearing aid dealer and fitter is redundant and burdensome, as audiologist licensing requirements are more stringent than hearing aid dealer and fitter licensing requirements.

Accordingly, the purpose of this Act is to:

- (1) Clarify that the licensing requirements for hearing aid dealers and fitters shall not apply to audiologists licensed pursuant to chapter 468E, Hawaii Revised Statutes; and
- (2) Clarify that to be eligible for licensure as an audiologist, a person shall not be required to also be licensed as a hearing aid dealer and fitter under chapter 451A, Hawaii Revised Statutes.

SECTION 2. Section 451A-2, Hawaii Revised Statutes, is amended to read as follows:

“§451A-2 License required. [It] (a) Except as otherwise provided in this chapter, it shall be unlawful for any person not licensed under this chapter to engage in the sale or practice of dealing and fitting of hearing aids or to use any sign, card, or device to indicate that the person is licensed.

(b) Any person wishing to obtain a license or a license by endorsement shall apply on a form prescribed by the director and shall furnish to the director:

- (1) Satisfactory proof that the person is a high school graduate; and
- (2) Satisfactory proof that the person has fulfilled all of the requirements for a license.

(c) An applicant shall be required to pass a licensing examination.”

SECTION 3. Section 451A-18, Hawaii Revised Statutes, is amended to read as follows:

“§451A-18 Persons and practices not affected. This chapter is not intended to:

- (1) Prohibit any person from engaging in the practice of measuring human hearing for the purpose of selection of hearing aids; provided that the person or the organization employing the person does not sell hearing aids or accessories;
- (2) Prohibit a person in maintaining an established business address from engaging in the business of selling or offering for sale hearing aids at retail without a license; provided that it employs persons licensed under this chapter responsible for the fitting and direct sale of such products; ~~and~~
- (3) Apply to a person who is a physician licensed to practice in Hawaii~~[-]; or~~
- (4) Apply to a person who is licensed as an audiologist pursuant to chapter 468E.”

SECTION 4. Section 468E-5, Hawaii Revised Statutes, is amended to read as follows:

“§468E-5 Eligibility for licensure. (a) To be eligible for licensure by the board as a speech pathologist or audiologist, a person shall:

- (1) Possess at least a master’s degree or its equivalent in the area of speech pathology or audiology, as the case may be, from an educational institution recognized by the board;
- (2) Submit to the board evidence of eligibility for meeting the requirements of the American Speech-Language-Hearing Association for

the certificate of clinical competence in speech pathology or audiology, or both; and

(3) Pass a written examination approved by the board.

(b) To be eligible for licensure by the board as an audiologist, a person shall not be required to also be licensed as a hearing aid dealer and fitter under chapter 451A.”

SECTION 5. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 6. This Act shall take effect upon its approval.

(Approved July 10, 2018.)

ACT 174

H.B. NO. 2694

A Bill for an Act Relating to Fees.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 338-14, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

“(a) The department of health shall establish reasonable fees to be paid for certified copies of certificates; provided that the department shall furnish, free of charge~~[-a]~~:

(1) A certified copy of any of the records, or a certification of birth, to any veteran of the armed forces of the United States, the veteran’s wife, any member of the immediate family of a veteran or the next of kin of a deceased veteran, when required for use in connection with a claim based on service in the armed forces of the United States[-]; and

(2) A certification of birth to any individual who is homeless; provided that the individual’s homeless status is corroborated by a verification letter issued by a homeless service provider.

Subject to sections 338-16, 338-17, and 338-18, the National Center for Health Statistics may obtain transcripts and statistical summaries on computer tapes of certificates or, without payment of fees, certified copies; provided the State is put to no expense in connection therewith.

A reasonable fee shall be charged for any correction in the items on a vital statistics certificate initiated by the registrant or the registrant’s parent or representative if the registrant is a minor.”

SECTION 2. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 3. This Act shall take effect upon its approval, and shall be repealed on June 30, 2021; provided that section 338-14(a), Hawaii Revised Statutes, shall be reenacted in the form in which it read on the day prior to the effective date of this Act.

(Approved July 10, 2018.)

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H.B. NO. 2507

A Bill for an Act Relating to Preschools.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 26-12, Hawaii Revised Statutes, is amended to read as follows:

“§26-12 Department of education. The department of education shall be headed by an executive board to be known as the board of education.

Under policies established by the board, the superintendent shall administer programs of education and public instruction throughout the State, including education at the [~~preschool~~] primary[;] and secondary school levels, adult education, school library services, health education and instruction (not including dental health treatment transferred to the department of health), special education and Title I funded programs at the prekindergarten level, and such other programs as may be established by law. The state librarian, under policies established by the board of education, shall be responsible for the administration of programs relating to public library services and transcribing services for the blind.

The functions and authority heretofore exercised by the department of education (except dental health treatment transferred to the department of health), library of Hawaii, Hawaii county library, Maui county library, and the transcribing services program of the bureau of sight conservation and work with the blind, as heretofore constituted are transferred to the public library system established by this chapter.

The management contract between the board of supervisors of the county of Kauai and the Kauai public library association shall be terminated at the earliest time after November 25, 1959, permissible under the terms of the contract and the provisions of this paragraph shall constitute notice of termination, and the functions and authority heretofore exercised by the Kauai county library as heretofore constituted and the Kauai public library association over the public libraries in the county of Kauai shall thereupon be transferred to the public library system established by this chapter.

The management contracts between the trustees of the library of Hawaii and the Friends of the Library of Hawaii, and between the library of Hawaii and the Hilo library and reading room association, shall be terminated at the earliest time after November 25, 1959, permissible under the terms of the contracts, and the provisions of this paragraph shall constitute notice of termination.

Upon the termination of the contracts, the State or the counties shall not enter into any library management contracts with any private association; provided that in providing library services the board of education may enter into contracts approved by the governor for the use of lands, buildings, equipment, and facilities owned by any private association.

Notwithstanding any law to the contrary, the board of education may establish, specify the membership number and quorum requirements for, appoint members to, and disestablish a commission in each county to be known as the library advisory commission, which shall in each case sit in an advisory capacity to the board of education on matters relating to public library services in their respective county.”

SECTION 2. Section 302A-1111, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

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“(a) Under policies established by the board, the superintendent shall be designated as the chief executive officer of the public school system having jurisdiction over the internal organization, operation, and management of the public school system, as provided by law; and shall administer programs of education and public instruction throughout the State, including education at the [~~pre-school,~~] primary[;] and secondary school levels, and such other programs as may be established by law.”

SECTION 3. Section 325-124, Hawaii Revised Statutes, is amended by amending subsection (c) to read as follows:

“(c) Registry information regarding specific individuals in the registry may be accessed by school and post-secondary school personnel authorized by the director of health, the superintendent of education, the director of the executive office on early learning, or the administrator of a private or post-secondary school for the purpose of ensuring compliance with mandatory student immunization requirements.”

SECTION 4. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 5. This Act shall take effect on July 1, 2018.

(Approved July 10, 2018.)

ACT 176

H.B. NO. 1650

A Bill for an Act Relating to Child Safety.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 350-2, Hawaii Revised Statutes, is amended to read as follows:

“**§350-2 Action on reporting.** (a) Upon receiving a report concerning child abuse or neglect, the department shall proceed pursuant to chapter 587A and the department’s rules.

(b) The department shall inform the appropriate police department of all reports received by the department regarding a case of child abuse or neglect, including reports received under section 350-1.1; provided that the name of the person who reported the case of child abuse or neglect shall be released to the police department pursuant only to court order or the person’s consent.

(c) The department shall inform the appropriate police department or office of the prosecuting attorney of the relevant information concerning a case of child abuse or neglect when the information is required by the police department or the office of the prosecuting attorney for the investigation or prosecution of that case; provided that the name of the person who reported the case of child abuse or neglect shall be released to the police department or the office of the prosecuting attorney pursuant only to court order or the person’s consent.

(d) The department shall maintain a central registry of reported child abuse or neglect cases and shall promptly expunge the reports in cases if:

- (1) The report is determined not confirmed by the department, an administrative hearing officer, or a Hawaii state court on appeal; or

- (2) The petition arising from the report has been dismissed by order of the family court after an adjudicatory hearing on the merits pursuant to chapter 587A.

Records and information contained in a report that is expunged may be retained by the department solely for future risk and safety assessment purposes.

(e) For a confirmed case of child abuse or neglect that occurred at a licensed or registered child care facility as defined in section 346-151, the department is authorized to disclose that the report of child abuse or neglect was confirmed to any parent or guardian of a child who was enrolled at the licensed or registered child care facility as defined in section 346-151.

(f) For a confirmed case of child abuse or neglect that occurred where a child is provided care, as defined in section 346-151, in accordance with an exclusion or exemption pursuant to section 346-152 and upon receipt of the consent of the child care provider, the department is authorized to disclose that the report of child abuse or neglect was confirmed to any parent or guardian of a child who was enrolled at the licensed or registered child care facility as defined in section 346-151.

(g) For a confirmed case of child abuse or neglect that results in a child's death or near fatality, the department is authorized to disclose to the public:

- (1) The cause of and circumstances regarding the fatality or near fatality;
- (2) The age and gender of the child;
- (3) Information describing any previous reports and results of child abuse or neglect investigations that are pertinent to the child abuse or neglect that led to the fatality or near fatality; and
- (4) The action taken by the department on behalf of the child that is pertinent to the child abuse or neglect that led to the fatality or near fatality.

(h) The department shall adopt rules as may be necessary in carrying out this section."

SECTION 2. (a) There is established a working group to be placed in the department of human services for administrative purposes. The working group shall review laws, rules, and procedures relating to the coordination of investigations and enforcement efforts of the child welfare services branch and child care licensing program to improve child care safety in child care settings.

(b) The following individuals shall serve as members of the working group:

- (1) The director of human services or the director's designee;
- (2) The administrator of the child welfare services branch or the administrator's designee;
- (3) A representative from the child care licensing program designated by the administrator of the benefit, employment and support services division;
- (4) Four representatives from the department of the attorney general, to be designated by the attorney general, specifically:
 - (A) One representative who specializes in criminal prosecution;
 - (B) One representative who specializes in child welfare;
 - (C) One representative who specializes in child care licensing administration; and
 - (D) One representative who specializes in criminal investigations;
- (5) The prosecuting attorney of the city and county of Honolulu or the prosecuting attorney's designee;

- (6) A representative from each of the county police departments in the State;
 - (7) Four community advocates designated by the director of human services; and
 - (8) A representative from the United States Department of Defense Family Advocacy program.
- (c) Members of the working group shall serve without compensation and without reimbursement for expenses.
- (d) The working group shall be exempt from chapter 92, Hawaii Revised Statutes.
- (e) The working group shall submit a report of findings and recommendations, including any proposed legislation, to the legislature no later than twenty days prior to the convening of the regular sessions of 2019 and 2020.
- (f) The working group shall cease to exist on January 30, 2020.

SECTION 3. New statutory material is underscored.

SECTION 4. This Act shall take effect on July 1, 2018.

(Approved July 10, 2018.)

ACT 177

H.B. NO. 2277

A Bill for an Act Relating to Child Welfare Services.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that the east Hawaii child welfare services section on Hawaii island faces unique challenges as the office responsible for the safety and well-being of vulnerable children who have been abused or neglected or who are at high risk for abuse and neglect.

The east Hawaii child welfare services section is responsible for the safety of endangered children in a vast geographic area that extends from Honokaa to Ocean View, including the districts of north Hilo, south Hilo, Puna, and much of Hamakua and Kau. This is an area approximately the size of all of the other Hawaiian islands combined.

In 2015, the rate of confirmed cases for abuse or neglect in the area serviced by the east Hawaii child welfare services section was two hundred thirteen children per one hundred thousand residents, which is nearly triple the rate of confirmed cases per one hundred thousand residents on the island of Oahu.

The legislature further finds that the great recession triggered deep cuts in Hawaii's already overburdened child welfare system and caused a long-term impact on the safety and well-being of the most vulnerable children. Layoffs and hiring restrictions caused the east Hawaii child welfare services section to lose nineteen of the fifty-six positions it had in 2009. That reduction in staffing has caused a dramatic increase in average caseloads. The Child Welfare League of America recommends caseloads for social workers of no more than fifteen children. In the east Hawaii child welfare services section, social workers regularly have caseloads of forty to fifty children. These higher caseloads increase the potential for harm to children who are already experiencing or are at risk for neglect or abuse and contribute to a crisis situation in east Hawaii.

The east Hawaii child welfare services section workloads have become so unmanageable that the department of human services, child welfare services

branch, has been sanctioned by the family court because of late filings of reports and failure to meet court deadlines.

Apart from the moral obligation to protect the most vulnerable children, the legislature is frustrated with the very large sums of money paid each year for legal claims and settlements, including some caused by tragedies in the State's child welfare system.

Child and family services reviews conducted by the United States Department of Health and Human Services have found that the more time a social worker spends with a child and a family, the better the outcomes for those children and families.

The purpose of this Act is to establish a five-year pilot project within the department of human services to ensure the safety and well-being of at-risk children and families in east Hawaii on Hawaii island by appropriating funds for four full-time equivalent (4.0 FTE) child/adult protective services specialists, administrative costs for the east Hawaii child welfare services section on Hawaii island, and travel costs for the child welfare services division to train new hires.

SECTION 2. (a) There is established within the department of human services a five-year pilot project to assist children and families in east Hawaii on Hawaii island. The department of human services shall oversee the pilot project, which shall be known as the east Hawaii child welfare services pilot project.

(b) The pilot project shall add four full-time equivalent (4.0 FTE) child/adult protective services specialists to the east Hawaii child welfare services section on Hawaii island.

(c) The department of human services shall evaluate the effectiveness of the pilot project annually. The evaluation shall include:

- (1) Findings as to whether the reduction in caseload helps social workers engage families, deliver quality services, and achieve positive outcomes for children and families;
- (2) Findings as to whether the reduction in caseload affects employee performance, satisfaction, and attrition at the east Hawaii child welfare services section;
- (3) A comparison of the number and types of sanctions imposed by the family court on the east Hawaii child welfare services section on Hawaii island because of late filings of reports and failure to meet court deadlines:
 - (A) During the five years preceding the pilot project;
 - (B) During the pendency of the pilot project; and
 - (C) Twelve months after the pilot project ends;
- (4) A comparison of the number of legal claims filed against the State that relate to the child welfare system and the east Hawaii child welfare services section on Hawaii island brought and their disposition:
 - (A) During the five years preceding the pilot project;
 - (B) During the pendency of the pilot project; and
 - (C) Twelve months after the pilot project ends; and
- (5) Any other data and analysis the department of human services deems necessary for the purposes of the pilot project.

(d) The department of human services shall collect data on the conduct and efficacy of the pilot project from service providers that work directly with children who are assigned to social workers in the east Hawaii child welfare services section. The department of human services shall collect this data every six months for evaluation purposes for the duration of the pilot project and twelve months after it ends.

(e) The department of human services shall submit to the legislature an annual report of its findings and recommendations, including any proposed legislation, no later than twenty days prior to the convening of the regular sessions of 2019, 2020, 2021, 2022, 2023, 2024, and 2025.

SECTION 3. There is appropriated out of the general revenues of the State of Hawaii the sum of \$321,598 or so much thereof as may be necessary for fiscal year 2018-2019 for the east Hawaii child welfare services section pilot project, including the hiring of four full-time equivalent (4.0 FTE) child/adult protective services specialists, administrative costs for the east Hawaii child welfare services section on Hawaii island, and travel costs for the child welfare services division to train new hires.

The sum appropriated shall be expended by the department of human services for the purposes of this Act.

SECTION 4. This Act shall take effect upon its approval; provided that section 3 shall take effect on July 1, 2018.

(Approved July 10, 2018.)

ACT 178

H.B. NO. 2454

A Bill for an Act Relating to Hawaii Correctional Industries.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that former inmates who are gainfully employed are less likely to re-offend and have a greater chance of becoming upstanding citizens.

The legislature further finds that ninety-five percent of inmates will eventually be released from prison and that it is in the best interest of the State to facilitate the reentry of former inmates into society by providing opportunities for gainful employment.

The Hawaii correctional industries program employs several hundred inmates every year in print, furniture, canteen, and sewing shops that are located within correctional facilities as well as through outside work-lines that clean and maintain highways and byways. In this vocational rehabilitation program, former inmates who excelled in the program have great potential to serve as peer mentors and role models to the current inmates participating in the program.

The purpose of this Act is to assist former inmates as they reenter society and current inmates pursuing vocational rehabilitation by establishing a three-year pilot project within the department of public safety to authorize the administrator of the Hawaii correctional industries program, in consultation with the director of public safety, to provide full-time equivalent employment in the Hawaii correctional industries program to up to five former inmates who meet eligibility criteria.

SECTION 2. (a) There is established within the department of public safety a three-year pilot project to be known as the correctional industries former inmate employment pilot project. The administrator of the Hawaii correctional industries program, notwithstanding any laws to the contrary and in consultation with the director of public safety, shall provide full-time equivalent employment with the Hawaii correctional industries program for up to five former

inmates who meet eligibility criteria developed by the director of public safety. The department of public safety shall provide oversight of the pilot project.

(b) The pilot project shall:

- (1) Provide the former inmates an opportunity for career advancement and necessary training and job skills so they may become economically self-sufficient and productive members of society;
- (2) Provide for the safety of the former inmates, staff, and the community;
- (3) Be self-funded by the Hawaii correctional industries program;
- (4) Pay the former inmates a fair wage comparable to wages for similar work within the private sector; and
- (5) Serve the purposes of the Hawaii correctional industries program pursuant to section 354D-1, Hawaii Revised Statutes.

(c) The department of public safety shall evaluate the effectiveness of the pilot project annually. The evaluation shall include:

- (1) Findings as to whether the former inmates employed in the pilot project received fair and adequate wages, showed lower recidivism rates, and had reduced contact with the criminal justice system;
- (2) Findings as to whether the pilot project helped achieve the purposes of the Hawaii correctional industries program pursuant to section 354D-1, Hawaii Revised Statutes; and
- (3) Any other data and analysis the department of public safety deems necessary.

(d) Data on the conduct and efficacy of the pilot project shall be collected by service providers that work directly with former inmates and shall be submitted to the department of public safety every six months for evaluation purposes for the duration of the pilot project and twelve months after the pilot project ends.

(e) The department of public safety shall submit an annual report of its findings and recommendations, including any proposed legislation, to the legislature no later than twenty days prior to the convening of the regular sessions of 2019, 2020, and 2021.

(f) The pilot project shall cease on July 1, 2021.

SECTION 3. This Act shall take effect upon its approval.

(Approved July 10, 2018.)

ACT 179

H.B. NO. 2464

A Bill for an Act Relating to the Hawaiian Homes Commission Act.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that certain native Hawaiians who are eligible for a lease pursuant to the Hawaiian Homes Commission Act, 1920, as amended, have acquired a lease, sold or transferred their interest in the lease, and then placed their name on the waitlist for a second lease of Hawaiian home lands.

The legislature believes that a department of Hawaiian home lands beneficiary should be able to enter the Hawaiian Homes Commission Act program with a reasonable expectation of eventually receiving a lease.

The purpose of this Act is to require the department of Hawaiian home lands to study the issue of Hawaiian home lands lessees selling or transferring

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their leases for a fee or other personal gain and then reapplying for a subsequent lease and submit a report of its findings and recommendations, including any proposed legislation, to the legislature.

SECTION 2. The department of Hawaiian home lands shall conduct a study on the issue of Hawaiian home lands lessees selling or transferring their Hawaiian home lands lease to another native Hawaiian for a fee or other personal gain and then applying for a subsequent Hawaiian home lands lease. The department shall submit a report of the findings and recommendations from its study, including any proposed legislation, to the legislature no later than twenty days prior to the convening of the regular session of 2020.

SECTION 3. This Act shall take effect on July 1, 2018.

(Approved July 10, 2018.)

ACT 180

H.B. NO. 2081

A Bill for an Act Relating to the Rose-Ringed Parakeet.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The rose-ringed parakeet, *Psittacula krameri*, is one of the most widespread invasive birds on the planet. In the United States, established populations occur in Florida, Hawaii, and southern California. In its native range of Africa and India, this bird is considered to be one of the most significant agricultural pests of important food crops. In Hawaii, the rose-ringed parakeet population has been particularly damaging on Kauai, where its population has been growing exponentially. Although the first pair of rose-ringed parakeets was introduced in Kauai in the 1960s, the population was estimated at one hundred fifty to two hundred birds by 1994, five hundred to one thousand birds by the late 2000s, and over two thousand birds by 2011. The current number on Kauai is unknown, but observations suggest over five thousand birds.

The rose-ringed parakeet poses a significant threat to local economies (through agricultural damage to lychee, longan, rambutan, and other crops), ecology (through invasive seed dispersal and competition with native wildlife), and human health and safety (through potential spread of disease). On Kauai, the rose-ringed parakeet causes more crop damage than all other birds and mammals.

Kauai residents have complained about the noise from the rose-ringed parakeet calls, feces spread below roosts, damage to local gardens and orchards, and loss of business profits and tourism. The rose-ringed parakeet is also a potential vector of various pathogens and diseases (e.g., Avian influenza, Avian malaria, and salmonella) that could be passed to humans, pets, and native wildlife.

The legislature finds that Act 31, Session Laws of Hawaii 2017, appropriated \$75,000 to the department of land and natural resources to support research on damage mitigation and population reduction strategies, to be carried out by the United States Department of Agriculture's National Wildlife Research Center in Hilo. This initial appropriation will be used to hire a director for the study, support a review of existing damage mitigation tools, identify potential new tools for evaluation, develop stakeholder-specific guidelines for damage control to farmers, ranchers, tourism operators, and homeowners, and establish protocols for pilot studies to evaluate the most promising control tools.

The legislature further finds that additional funding will be required to complete evaluation studies and carry out the second phase of the project: conducting pilot field studies to evaluate control tools and developing a management plan to reduce populations of the rose-ringed parakeet on Kauai. This process will include tracking and mapping populations and field assessment of population reduction methods.

The purpose of this Act is to appropriate funds to the department of land and natural resources to provide assistance and funding to the National Wildlife Research Center of the United States Department of Agriculture to continue its efforts to manage the population of rose-ringed parakeets on the island of Kauai.

SECTION 2. There is appropriated out of the general revenues of the State of Hawaii the sum of \$284,011 or so much thereof as may be necessary for fiscal year 2018-2019 for the department of land and natural resources to assist and fund the National Wildlife Research Center of the United States Department of Agriculture in its efforts to:

- (1) Establish protocols for pilot studies to evaluate the most promising control tools;
- (2) Conduct up to three field trials of the most promising control tools to evaluate efficacy and practicality;
- (3) Update rose-ringed parakeet habitat uses, daily dispersal patterns, and overall range on Kauai;
- (4) Develop an effective control plan for reducing the rose-ringed parakeet population on Kauai; and
- (5) Implement an experimental rose-ringed parakeet population reduction as a practical evaluation of the control plan.

The sum appropriated shall be expended by the department of land and natural resources for the purposes of this Act.

SECTION 3. This Act shall take effect on July 1, 2018.

(Approved July 10, 2018.)

ACT 181

H.B. NO. 2097

A Bill for an Act Relating to Lifeguards.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that the State contracts with the counties to provide lifeguards at various state beach parks. The purpose of this Act is for the State to more fully assume the risk of posting county lifeguards at designated state beach parks under an agreement between the State and a county. This Act is not intended to alter the current standard of care nor require the State to defend against claims that result from a lifeguard's gross negligence or wanton act or omission.

SECTION 2. Section 662-16, Hawaii Revised Statutes, is amended to read as follows:

“§662-16 Defense of state employees[-]; county lifeguards. (a) The attorney general may defend any civil action or proceeding brought in any court against any employee of the State for damage to property or for personal injury,

including death, resulting from the act or omission of any state employee while acting within the scope of the employee's employment.

(b) The attorney general shall defend any civil action or proceeding brought in any court against any person who is employed by a county as a lifeguard, designated to provide lifeguard services at a designated state beach park under an agreement between the State and a county, and acting within the scope of the county lifeguard's employment at a designated state beach park; provided that the attorney general shall have no obligation to defend when the civil action or proceeding results from a county lifeguard's gross negligence or wanton act or omission; provided further that the county lifeguard may employ an attorney, in lieu of the attorney general, to defend any civil action or proceeding brought in any court against the county lifeguard at the lifeguard's own expense.

(c) The employee against whom ~~[such]~~ a civil action or proceeding is brought under this section shall deliver, within the time after the date of service or knowledge of service as determined by the attorney general, all process or complaint served upon the employee or an attested true copy thereof to the employee's immediate superior or to whomever was designated by the head of the employee's department to receive ~~[such]~~ the papers, and ~~[such]~~ the person shall promptly furnish copies of the pleadings and process therein to the department of the attorney general.

(d) No judgment by default shall be entered against a ~~[state employee]~~ person under this section based on a cause of action arising out of an act or omission of ~~[such employee]~~ the person while acting within the scope of the ~~[employee's]~~ person's employment unless the department of the attorney general has received a copy of the complaint or other relevant pleadings and a period of twenty days has elapsed from the date of ~~[such]~~ the receipt.

(e) The attorney general ~~[may also]~~ shall defend any civil action or proceeding brought in any court against a county based on an allegedly negligent or wrongful act or omission of persons who are employed by a county as lifeguards ~~[and]~~, designated to provide lifeguard services at a designated state beach park under an agreement between the State and a county~~[-]~~, and acting within the scope of their employment as county lifeguards at a designated state beach park; provided that the attorney general shall have no obligation to defend when the civil action or proceeding results from a county lifeguard's gross negligence or wanton act or omission, or when claims are made against the county for its own negligence or wrongful acts or omissions.

(f) The attorney general may ~~[also]~~ defend any civil action or proceeding brought in any court against any provider of medical, dental, or psychological services pursuant to contract with the department of public safety when the provider is sued for acts or omissions within the contract's scope of work."

SECTION 3. There is appropriated out of the general revenues of the State of Hawaii the sum of \$1,000,000 or so much thereof as may be necessary for fiscal year 2018-2019 for the department of land and natural resources division of state parks to contract with the counties for county lifeguard services at designated state beach parks under an agreement between the State and a county.

The sum appropriated shall be expended by the department of land and natural resources for the purposes of this Act.

SECTION 4. There is appropriated out of the special land and development fund the sum of \$500,000 or so much thereof as may be necessary for fiscal year 2018-2019 for the department of land and natural resources division

of state parks to contract with the counties for county lifeguard services at designated state beach parks under an agreement between the State and a county.

The sum appropriated shall be expended by the department of land and natural resources for the purposes of this Act.

SECTION 5. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 6. This Act shall take effect on July 1, 2018.

(Approved July 10, 2018.)

ACT 182

H.B. NO. 1401

A Bill for an Act Relating to Elections.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that an increasing number of Hawaii voters are submitting their votes by mail. The 2014 Hawaii primary election was the first election in which more ballots were submitted before primary election day than on that day. Fifty-six per cent of Hawaii voters chose to vote early during the 2014 primary, and approximately eighty-three per cent of those voters did so through a mail-in absentee ballot. In 2016, the number of votes cast before election day exceeded the number of votes cast at polling places on election day, except in one county.

The legislature further finds that Hawaii's conversion to elections by mail would significantly reduce the logistical issues related to conducting elections at polling places.

Accordingly, the purpose of this Act is to:

- (1) Conduct a pilot program to require that the 2020 primary election and 2020 general election in any county with a population of less than one hundred thousand be conducted by mail;
- (2) For purposes of the pilot program, establish a voter service center that would remain open from the tenth business day preceding an election through the day of the election to receive personal delivery of mail-in ballots, accommodate voters with special needs, offer same day registration and voting, and provide other election services;
- (3) Allow for additional places of deposit for personal delivery of mail-in ballots under the pilot program;
- (4) Appropriate funds for the implementation and administration of the election by mail pilot program; and
- (5) Require the office of elections to submit a report to the legislature prior to the convening of each regular session from 2019 through 2021, regarding the implementation of the election by mail pilot program pursuant to this Act.

SECTION 2. Definitions. (a) As used in this Act:

"Ballot" shall have the same meaning as in section 11-1, Hawaii Revised Statutes, and shall include a ballot used in an election by mail pursuant to this Act, including a ballot approved for electronic transmission.

"Business day" means any day excluding Saturdays, Sundays, and state or federal holidays.

“County” means a county with a population of less than one hundred thousand.

“Electronic transmission” means the transmission of a blank or voted ballot by facsimile or electronic mail delivery, or the use of an online absentee ballot delivery and return system, which may include the ability to mark the ballot.

“Place of deposit” means a site within the county that has been designated pursuant to section 11 of this Act for the purpose of receiving return identification envelopes in an election conducted by mail pursuant to this Act.

“Voter service center” means a location within the county that has been established pursuant to section 11 of this Act to serve all of the following purposes:

- (1) Receive return envelopes for the county’s absentee ballots pursuant to chapter 15, Hawaii Revised Statutes;
- (2) Receive return identification envelopes in an election by mail conducted pursuant to this Act;
- (3) Provide voting machine services for persons with disabilities pursuant to the Help America Vote Act of 2002, P.L. 107-252, as amended, and any other federal or state law relating to persons with disabilities;
- (4) Provide any other voting services as provided by law; and
- (5) Any other purposes the chief election officer or county clerk may deem necessary if a natural disaster or other exigent circumstance occurs before an election.

“Voting system” shall have the same meaning as in section 11-1, Hawaii Revised Statutes, and shall include electronic transmission, elections by mail, and absentee voting pursuant to chapter 15, Hawaii Revised Statutes.

(b) As used in this Act, the terms “chief election officer”, “clerk”, “election”, “election officials”, “office”, “political party” or “party”, “precinct”, “primary”, and “voter” shall have the same meanings as in section 11-1, Hawaii Revised Statutes.

SECTION 3. Elections conducted by mail; pilot program. Notwithstanding any other law to the contrary, the county shall conduct the 2020 primary election and 2020 general election by mail in accordance with this Act.

This Act shall apply only to the counties and elections specified in this section.

SECTION 4. Procedures for conducting elections by mail. (a) Ballot packages for elections by mail shall include:

- (1) An official ballot;
- (2) A return identification envelope with postage prepaid;
- (3) A secrecy envelope; and
- (4) Instructions.

(b) To the extent practicable, the county clerk shall mail a ballot package by non-forwardable mail to each registered voter in the county so as to enable voters to receive the ballot package approximately eighteen days before the election. The county clerk shall continue mailing ballot packages to voters who update their voter registration address no later than fourteen days before the date of the election. In determining the initial mailing date of the ballot packages, the county clerk shall consider the mailing place of origin and the most recent postal service delivery standards. The county clerk shall not mail a ballot package to any voter in the county register who is identified as having an outdated or non-deliverable mailing address. Nothing in this Act shall be construed to change the

responsibilities of the county clerk or chief election officer under chapter 15D, Hawaii Revised Statutes, with respect to military and overseas voters.

(c) The county clerk shall determine and provide for places of deposit pursuant to this Act.

SECTION 5. Public notice of mailing. Public notice of the date or dates on which the initial ballot packages are to be mailed shall be given by the county clerk before the ballot packages are made available to voters.

SECTION 6. Ballot instructions; ballot return. (a) After a voter receives a ballot package, the voter shall comply with the instructions included in the ballot package in order to cast a valid vote. The instructions shall include directions for:

- (1) Marking the ballot;
- (2) Inserting the marked ballot in the secrecy envelope;
- (3) Inserting the secrecy envelope with the marked ballot in the return identification envelope; and
- (4) Signing the return identification envelope before mailing or delivering the return identification envelope containing the secrecy envelope with the marked ballot.

(b) The instructions shall include information on election fraud and voter fraud, as provided in sections 19-3(5) and 19-3.5, Hawaii Revised Statutes, and notice that violation of either section may subject the voter, upon conviction, to imprisonment, a fine, or both.

(c) To cast a valid ballot, the voter shall return the return identification envelope containing the secrecy envelope with the marked ballot:

- (1) By mail so that the return identification envelope is received at the office of the county clerk no later than 6:00 p.m. on the date of the election;
- (2) By personal delivery at any place of deposit no later than 6:00 p.m. on the day preceding the date of the election; or
- (3) By personal delivery to the voter service center no later than 6:00 p.m. on the date of the election.

(d) Once a voter has returned a return identification envelope containing the secrecy envelope with the marked ballot, that voter's ballot shall be deemed cast and may not be recast in the election.

SECTION 7. Replacement ballots. (a) A voter may obtain a replacement ballot if the ballot was destroyed, spoiled, or lost by contacting the county clerk. The chief election officer may prescribe a replacement ballot application form that shall include information that allows the county clerk to verify the registration of the voter and ensure that another ballot has not been returned by the voter.

(b) Upon receipt of a completed replacement ballot application form, the county clerk shall:

- (1) Verify the registration of the voter and ensure that another ballot has not been returned by the voter;
- (2) Record that the voter has requested a replacement ballot;
- (3) Mark the return identification envelope as containing a replacement ballot; and
- (4) Issue the replacement ballot package by mail or make the ballot package available for pick-up by the voter.

(c) Voters who obtain a replacement ballot shall return the return identification envelope containing the secrecy envelope with the marked replacement ballot:

- (1) By mail so that the return identification envelope is received at the office of the county clerk no later than 6:00 p.m. on the date of the election;
- (2) By personal delivery to any place of deposit no later than 6:00 p.m. on the day preceding the date of the election; or
- (3) By personal delivery to the voter service center no later than 6:00 p.m. on the date of the election.

SECTION 8. Deficient return identification envelopes. If:

- (1) A return identification envelope is returned with an unsigned affirmation;
- (2) The affirmation signature does not match a reference signature image; or
- (3) A return identification envelope contains another condition that would not allow the counting of the ballot,

the county clerk shall make an attempt to notify the voter by first class mail, telephone, or electronic mail to inform the voter of the procedure to correct the deficiency. The voter shall have five business days after the date of the election to cure the deficiency. The chief election officer may adopt rules regarding requirements and procedures for correcting deficient return identification envelopes. The counting of ballots and disclosure of subsequent election results may continue during the time period permitted to cure a deficiency under this section. The county clerk's inability to contact voters under this section shall not be grounds for a contest for cause under section 11-172, Hawaii Revised Statutes.

SECTION 9. Electronic transmission under certain circumstances. (a) If a ballot package is not received by a voter within five days prior to an election or a voter otherwise requires a replacement ballot within five days prior to an election, the voter may request that a ballot be forwarded by electronic transmission; provided that a voter with special needs may request that a ballot be forwarded by electronic transmission at any time. Upon receipt of such a request and confirmation that proper application was made, the county clerk may transmit the appropriate ballot, together with a form containing the affirmations, information, and a waiver of the right to secrecy under section 11-137, Hawaii Revised Statutes.

- (b) The voter may return the voted ballot and executed forms:
- (1) By electronic transmission so that the voted ballot and executed forms are received at the office of the county clerk no later than 6:00 p.m. on the date of the election;
 - (2) By mail so that the voted ballot and executed forms are received at the office of the county clerk no later than 6:00 p.m. on the date of the election;
 - (3) By personal delivery to any place of deposit no later than 6:00 p.m. on the day preceding the date of the election; or
 - (4) By personal delivery to the voter service center no later than 6:00 p.m. on the date of the election.

(c) Upon receipt, the county clerk shall verify compliance with the requirements of this Act; provided that if the voter returns multiple voted ballots for the same election, the county clerk shall prepare only the first ballot returned that is not spoiled.

SECTION 10. Counting of mail-in ballots. Ballot processing for tabulation may begin no sooner than the tenth day before the election. In the presence of official observers, counting center employees may open the return identification envelopes and count the ballots; provided that any tabulation of the number of votes cast for a candidate or question appearing on the ballot, including a counting center printout or other disclosure, shall be kept confidential and shall not be disclosed to the public until after 6:00 p.m. on the date of the election. All handling and counting of ballots shall be conducted in accordance with procedures established by the chief election officer.

SECTION 11. Voter service center; places of deposit. (a) A voter service center shall be established at the office of the county clerk.

(b) The voter service center shall be open from the tenth business day preceding the day of the election during regular business hours until 6:00 p.m. on the date of the election; provided that:

- (1) On the day of the election, the voter service center shall be open from 7:00 a.m.;
- (2) If, at the closing hour of voting, any voter desiring to vote is standing in line with the desire of entering and voting, but due to the voter service center being overcrowded has been unable to do so, the voter shall be allowed to vote irrespective of the closing hour of voting; and
- (3) No voter shall be permitted to enter or join the line after the prescribed hours of voting.

(c) Each voter service center shall provide the services specified in section 2 of this Act under the definition of "voter service center".

(d) The county clerk may designate and provide for places of deposit to be open five business days before the election until 6:00 p.m. the day preceding the election; provided that the locations and apparatus for receiving voted ballots can be securely maintained during the period of use for each election, and as may be permitted by the operational hours.

(e) The chief election officer shall issue a proclamation listing the voter service center and places of deposit as may have been determined by the county clerk as of the proclamation date. The county clerk shall make arrangements for the rental or erection of suitable shelter for the establishment of a voter service center whenever public buildings are not available and shall cause the voter service center to be equipped with the necessary facilities for lighting, ventilation, and equipment needed for elections. This proclamation may be issued jointly with the proclamation required in section 11-91, Hawaii Revised Statutes.

(f) Notwithstanding the foregoing, the county clerk is not required to establish a voter service center for areas affected by natural disasters, as provided in section 15-2.5, Hawaii Revised Statutes.

(g) Notwithstanding the closing of the general county register pursuant to section 11-24, Hawaii Revised Statutes, a person who is eligible to vote but not registered to vote may register by appearing in person at the voter service center before or on election day. The county clerk shall designate a registration clerk, who may be an election official, at the voter service center, who shall process applications for any person not registered to vote in accordance with section 11-15.2(c), (d), (e), (f), and (g), Hawaii Revised Statutes.

(h) The county clerk shall designate a registration clerk, who may be an election official, at the voter service center, who shall take applications for change of name pursuant to section 11-21, Hawaii Revised Statutes.

(i) Each qualified political party shall be entitled to appoint no more than one watcher who may be present at any time at the voter service center; provided that:

- (1) Each party shall submit its list of watchers no later than 4:30 p.m. on the twentieth day before any election to the county clerk;
- (2) All watchers shall serve without expense to the county or the State; and
- (3) All watchers so appointed shall be registered voters.

Each watcher shall be provided with identification from the county clerk stating the watcher's name and the name of the political party the watcher represents.

The watcher shall call the attention of the county clerk to any violations of the election laws that the watcher observes. After the county clerk's attention is called to the violation, the county clerk shall make an attempt to correct the violation. If the county clerk fails to correct the violation, the watcher may appeal to the chief election officer.

(j) No person shall take a ballot out of the voter service center unless authorized by the chief election officer or a designee of the chief election officer.

(k) A person with disabilities may be provided assistance at the voter service center pursuant to any state or federal law relating to persons with disabilities.

(l) For the purposes of section 11-25, Hawaii Revised Statutes, the term "polling place" shall include the voter service center established pursuant to this Act.

(m) For the purposes of section 11-132, Hawaii Revised Statutes, the term "polling place" shall include the voter service center or a place of deposit established pursuant to this Act.

SECTION 12. Absentee ballots. (a) Any person who is registered to vote who is unable to receive a ballot at the person's voter registration address of record may request an absentee ballot pursuant to section 15-4, Hawaii Revised Statutes; provided that a return envelope containing an absentee ballot shall be:

- (1) Mailed and received by the county clerk issuing the absentee ballot no later than 6:00 p.m. on election day; or
- (2) Delivered other than by mail to the county clerk issuing the absentee ballot or to the voter service center no later than 6:00 p.m. on election day.

(b) An absentee ballot received by the county clerk shall be processed and counted pursuant to chapter 15, Hawaii Revised Statutes.

SECTION 13. Election expenses and responsibilities for elections by mail. (a) Election expenses in an election by mail shall be as follows:

- (1) All expenses related to elections by mail involving both state and county offices, or involving both federal and county offices, unrelated to voter registration, shall be divided in half between the State and the county. To the extent that a particular expense is shared statewide, each county shall pay a proration of expenses as a proportion of the registered voters at the time of the general election. The county shall separately be responsible for expenses associated with voter registration;
- (2) All expenses for county elections by mail, which do not involve state or federal offices, shall be borne by the county and paid out of appropriations as may be made by the county council; and

- (3) All expenses for state or federal elections by mail, which do not involve county offices, shall be borne by the State and paid out of appropriations as may be made by the legislature. Expenses attributable to registration of voters by the county clerk for state or federal elections that do not involve county offices shall be borne by the State and paid out of appropriations as may be made by the legislature.
- (b) Election responsibilities for elections by mail shall be as follows:
 - (1) For elections by mail involving both state and county offices, or involving both federal and county offices:
 - (A) The county shall be responsible for voter registration, absentee voting, the voter service center, places of deposit, and the mailing and receipt of ballots;
 - (B) The State shall be responsible for the printing and counting of ballots;
 - (C) The State and county may otherwise agree to the delegation of these responsibilities to each other; and
 - (D) Any responsibilities not specified in this paragraph may be assigned to the county or the State by the chief election officer;
 - (2) For elections by mail involving only county offices, the respective county shall be solely responsible; and
 - (3) For elections by mail involving only state or federal offices:
 - (A) The county shall be responsible for voter registration, absentee voting, the voter service center, and places of deposit;
 - (B) The State shall be responsible for the printing, mailing, receipt, and counting of ballots; and
 - (C) Any responsibilities not specified in this paragraph may be assigned to the county or the State by the chief election officer.

SECTION 14. Misdemeanors. Any person who opens a return envelope containing a ballot voted by mail other than those persons authorized to do so pursuant to this Act shall be guilty of a misdemeanor.

SECTION 15. Removal of names from register. For the purpose of section 11-17(a), Hawaii Revised Statutes, a person has voted if the voter has returned the ballot to the chief election officer or county clerk by the United States Postal Service, by personal delivery of the ballot to a place of deposit or the voter service center, or by electronic transmission under certain circumstances pursuant to this Act.

SECTION 16. Applicability of title 2, Hawaii Revised Statutes. An election by mail conducted pursuant to this Act shall be administered in accordance with title 2, Hawaii Revised Statutes; provided that if any provision of that title conflicts with a provision of this Act, this Act shall prevail.

SECTION 17. Rules. The chief election officer may adopt rules pursuant to chapter 91 to implement this Act.

SECTION 18. There is appropriated out of the general revenues of the State of Hawaii the sum of \$75,450 or so much thereof as may be necessary for fiscal year 2018-2019 for the purpose of preparing for, implementing, and administering elections by mail in a county with a population of less than one hundred thousand, including voter education and public awareness programs; provided that the office of elections may distribute a portion of the sum to a

county in the form of a grant to cover startup, transition, and other necessary costs that may be foreseeably incurred by the county.

The sum appropriated shall be expended by the office of elections for the purposes of this Act.

SECTION 19. No later than twenty days prior to the convening of the regular sessions of 2019 and 2020, the office of elections shall submit a preliminary report to the legislature that includes:

- (1) The office of elections' progress in implementing this Act;
- (2) A summary of the office of elections' discussions with the county clerk to determine areas of joint implementation of this Act;
- (3) An estimate of any costs the county clerk or the office of elections may incur to implement this Act;
- (4) Any developments in assistive technology that may be implemented by the State, the counties, or nonprofit associations to ensure that persons with disabilities are not, on the whole, disadvantaged by implementation of this Act, including the costs associated with applicable technology;
- (5) Any difficulties encountered;
- (6) Specific steps taken and recommendations necessary to prevent fraud and ensure the integrity of the election process; and
- (7) Any other findings and recommendations, including any proposed legislation, necessary to clarify and implement this Act.

SECTION 20. No later than January 15, 2021, the office of elections shall submit a final report to the legislature that includes:

- (1) Critical evaluation and assessment of the office of elections' and county clerk's performance in implementing this Act;
- (2) A summary of the office of elections' discussions with the county clerk to determine areas of joint implementation of this Act;
- (3) An estimate of the costs required by the county clerks or the office of elections to implement elections by mail statewide;
- (4) Any developments in assistive technology that may be implemented by the State, the counties, or nonprofit associations to ensure that persons with disabilities are not, on the whole, disadvantaged by implementation of elections by mail statewide, including the costs associated with applicable technology;
- (5) Any difficulties encountered;
- (6) Specific steps taken and recommendations necessary to prevent fraud and ensure the integrity of the election process;
- (7) Findings on whether the pilot project has increased voter participation; and
- (8) Any other findings and recommendations, including any proposed legislation, necessary to implement elections by mail statewide.

SECTION 21. If any provision of this Act, or the application thereof to any person or circumstance, is held invalid, the invalidity does not affect other provisions or applications of the Act that can be given effect without the invalid provision or application, and to this end the provisions of this Act are severable.

SECTION 22. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

SECTION 23. This Act shall take effect on July 1, 2018 and shall be repealed on June 30, 2021.

(Approved July 10, 2018.)

ACT 183

H.B. NO. 2416

A Bill for an Act Relating to Tax on Intangible Property.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Chapter 237, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

“§237- Exemption for intangible property used outside the State. (a) All of the value or gross proceeds arising from the use of intangible property outside the State shall be exempted from, and excluded from the measure of, the taxes imposed by this chapter.

(b) For the purposes of this section, the seller or licensor shall take from the purchaser a certificate, in a form prescribed by the department, certifying that the intangible property is to be used outside the State. Any purchaser who furnishes the certificate shall be obligated to pay to the seller or licensor, upon demand, the amount of the additional tax that is imposed upon the seller or licensor, if the intangible property is used in this State.”

SECTION 2. Chapter 238, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

“§238- Imposition of tax on intangible property. There is hereby levied an excise tax on the value of intangible property acquired from an unlicensed seller and imported or used in the State. The tax imposed by this chapter shall accrue when the intangible property is acquired by the importer or purchaser and becomes subject to the taxing jurisdiction of the State. The rate of the tax hereby imposed shall be four per cent of the value of the intangible property.”

SECTION 3. Section 238-1, Hawaii Revised Statutes, is amended as follows:

1. By amending the definition of “import” to read:

““Import” (or any nounal, verbal, adverbial, adjective, or other equivalent of the term) includes:

- (1) The importation into the State of [~~tangible~~] property, services, or contracting owned, purchased from an unlicensed seller, or however acquired, from any other part of the United States or its possessions or from any foreign country, whether in interstate or foreign commerce, or both; and
- (2) The sale and delivery of [~~tangible personal~~] property owned, purchased from an unlicensed seller, or however acquired, by a seller who is or should be licensed under the general excise tax law from an out-of-state location to an in-state purchaser, regardless of the free on board point or the place where title to the property transfers to the purchaser.”

2. By amending the definition of “price” to read:

““Price” means the total amount for which [~~tangible personal~~] property, services, or contracting are purchased, valued in money, whether paid in money

or otherwise, and wheresoever paid; provided that cash discounts allowed and taken on sales shall not be included.”

3. By amending the definition of “property” to read:

““Property” means tangible personal property, ~~intangible property,~~ and prepaid telephone calling services but does not include ~~[newspapers]:~~

- (1) ~~Newspapers~~ or other periodical publications purchased on the subscription plan, issued at stated intervals as frequently as four times a year, and of the class admitted to the United States mails as second class matter under the laws and regulations governing the postal service on January 1, 1965[-];
- (2) ~~Securities as defined in title 15 United States Code section 78c or similar laws of jurisdictions outside the United States;~~
- (3) ~~Commodities for future delivery and other agreements, options, and rights as defined in title 7 United States Code section 2 that are permitted to be traded on a board of trade designated by the Commodities Futures Trading Commission under the Commodity Exchange Act;~~
- (4) ~~Evidence of indebtedness;~~
- (5) ~~Interest in land; or~~
- (6) ~~Dividends as defined by chapter 235.”~~

4. By amending the definition of “purchase” and “sale” to read:

““Purchase” and “sale” means any transfer, exchange, or barter, conditional or otherwise, in any manner or by any means, wheresoever consummated, of ~~[tangible personal]~~ property, services, or contracting for a consideration.”

5. By amending the definition of “seller” to read:

““Seller” means any person engaged in the business of selling ~~[tangible personal]~~ property, services, or contracting, wheresoever engaged, but does not include the United States or its wholly owned agencies or instrumentalities other than national banks, the State or a political subdivision thereof, or wholly owned agencies or instrumentalities of the State or a political subdivision.”

6. By amending the definition of “service business or calling” to read:

““Service business or calling” includes all activities engaged in for other persons for a consideration that involve the rendering of a service as distinguished from the sale of ~~[tangible personal]~~ property or the production and sale of ~~[tangible]~~ property. “Service business or calling” includes professional services, but does not include services rendered by an employee to the employee’s employer.”

SECTION 4. Section 238-2.6, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

“(a) The county surcharge on state tax, upon the adoption of a county ordinance and in accordance with the requirements of section 46-16.8, shall be levied, assessed, and collected as provided in this section on the value of property and services taxable under this chapter. No county shall set the surcharge on state tax at a rate greater than one-half per cent of the value of property taxable under this chapter. All provisions of this chapter shall apply to the county surcharge on state tax. With respect to the surcharge, the director shall have all the rights and powers provided under this chapter. In addition, the director of taxation shall have the exclusive rights and power to determine the county or counties in which a person imports or purchases ~~[tangible personal]~~ property and, in the case of a person importing or purchasing ~~[tangible]~~ property in more than one county, the director shall determine, through apportionment or other means, that portion of the surcharge on state tax attributable to the importation or purchase in each county.”

SECTION 5. Section 238-3, Hawaii Revised Statutes, is amended by amending subsection (i) to read as follows:

“(i) Each taxpayer liable for the tax imposed by this chapter on ~~tan- gible personal~~ property, services, or contracting shall be entitled to full credit for the combined amount or amounts of legally imposed sales or use taxes paid by the taxpayer with respect to the same transaction and property, services, or contracting to another state and any subdivision thereof, but ~~such~~ the credit shall not exceed the amount of the use tax imposed under this chapter on account of the transaction and property, services, or contracting. The director of taxation may require the taxpayer to produce the necessary receipts or vouchers indicating the payment of the sales or use tax to another state or subdivision as a condition for the allowance of the credit.”

SECTION 6. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.¹

SECTION 7. This Act shall take effect upon its approval and shall apply to taxable years beginning after December 31, 2018.

(Approved July 10, 2018.)

Note

1. Edited pursuant to HRS §23G-16.5.

ACT 184

H.B. NO. 2005

A Bill for an Act Relating to University of Hawaii Revenue Bonds.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Allowing the University of Hawaii to issue revenue bonds helps to address the university’s deferred maintenance and capital modernization of its aging facilities. University revenue bonds have been used to finance the construction of new projects as well as the renovation and major repair of existing facilities. University projects have included faculty and student housing; additional classroom, laboratory, and office space; research facilities, utility facilities, and other infrastructure requirements; libraries; student support facilities; parking structures; and athletic facilities.

State financing support of university facilities is the primary method of funding Hawaii’s public university. The State and the university have always considered general obligation bonds as the first approach and means to finance the modernization of the university’s campuses. The availability of revenue bonds authority would be a strategic revenue source and supplement to limited general obligation bond funding and only used for financing projects that are revenue-generating or financially appropriate for the university.

The purpose of this Act is to authorize the University of Hawaii to issue revenue bonds to complete as many of its priority capital facility construction, renovation, modernization, and repair projects as possible.

SECTION 2. The board of regents of the University of Hawaii, with the approval of the governor, is authorized to issue revenue bonds from time to time to finance, in whole or in part, the costs of construction or the costs of maintenance of any university project, including funding reserves therefor as the

board of regents may direct. The total principal amount of the revenue bonds authorized by this Act shall not exceed \$100,000,000; provided that neither revenue bonds issued to refund revenue bonds heretofore issued, to the extent that such refunding revenue bonds do not exceed the principal amount of the revenue bonds being refunded, nor revenue bonds of the board outstanding at the effective date of this Act shall cause the amount of the above authorization to be decreased. The revenue bonds shall be issued pursuant to the provisions of part VI of chapter 304A, Hawaii Revised Statutes. The principal and interest on the revenue bonds, to the extent not paid from the proceeds of such bonds, shall be paid solely from and secured solely by the revenue of the university as defined in section 304A-2671, Hawaii Revised Statutes.

SECTION 3. There is appropriated out of the revenue bond proceeds and interest earned thereon authorized by this Act the sum of \$100,000,000 or so much thereof as may be necessary for fiscal year 2018-2019 to carry out the purposes of section 2 of this Act; provided that any unexpended and unencumbered balance of the appropriation shall not lapse at the end of fiscal year 2018-2019 and shall lapse instead on June 30, 2022.

The sum appropriated shall be expended by the board of regents of the University of Hawaii.

SECTION 4. The University of Hawaii shall notify the legislature upon issue of the revenue bonds authorized by section 2 of this Act, including a detailed listing and description of all projects to be funded through the revenue bonds authorized pursuant to this Act.

SECTION 5. This Act shall take effect upon approval.

(Approved July 10, 2018.)

ACT 185

S.B. NO. 2647

A Bill for an Act Relating to Mental Health Counselors.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that the current educational requirements for application for licensure as a mental health counselor are overly specific, which has prevented some otherwise qualified individuals from gaining licensure.

The purpose of this Act is to amend the practicum experience qualifications for licensure as a mental health counselor to accommodate different coursework structures, while ensuring the overall educational requirements remain at an appropriate level.

SECTION 2. Section 453D-7, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

“(a) An applicant shall be issued a license by the department if the applicant provides satisfactory evidence to the department that the applicant is qualified for licensure pursuant to the requirements of this chapter and meets the following qualifications:

- (1) A master’s degree or doctoral degree from an accredited educational institution in counseling or in an allied field related to the practice of mental health counseling that includes or is supplemented by

graduate level course work in counseling comprising a minimum of forty-eight semester hours or seventy-two quarter hours in the following course areas, with a minimum of three semester hours or five quarter hours in each course area as indicated below:

- (A) Human growth and development, including but not limited to the study of life span development, strategies to facilitate that development and transitions, theories of learning and personality development, and human behavior to include crisis, disabilities, addictive behavior, and environmental factors;
 - (B) Social and cultural foundations, including but not limited to the study of issues and trends in a multicultural and diverse society, including characteristics of diverse groups that may include but are not limited to age, race, religious or sexual preference, physical disability, ethnicity and culture, gender, socioeconomics, intellectual ability, and individual, family, and group strategies with diverse populations;
 - (C) Counseling theories and applications, including but not limited to counseling and consultation, including both individual and systems perspectives, interviewing, assessment, and counseling skills, as well as applying principles, methods, and theories of counseling, treatment and counseling of mental and emotional disorders, and educational techniques aimed at preventing such disorders with individuals and families;
 - (D) Group theory and practice, including but not limited to principles of group dynamics, group process, group leadership styles, theories and methods of group counseling, and the application of theory to the group processes;
 - (E) Career and lifestyle development, including but not limited to the study of vocational development theories and decision-making models, assessment instruments, and techniques, types, sources, and uses of occupational and educational information systems, career development applications, and career counseling processes, techniques, and resources;
 - (F) Appraisal of human behavior, including but not limited to assessment and diagnosis of disorders with an emphasis on DSM-IV categories, and an understanding of these disorders relative to the counseling context;
 - (G) Tests and measurements, including but not limited to theoretical and historical bases for assessment techniques, assessment methods, including analysis of various types of tests to select, administer, interpret, and use assessment and evaluation instruments and techniques in counseling;
 - (H) Research and program evaluation, including but not limited to research design and methods, statistical analysis, principles, practices, and application of needs assessment, and program evaluation; and
 - (I) Professional orientation and ethics, including but not limited to the history of the helping profession, professional roles and functions, ethical standards, confidentiality, professional organizations, and the public policy process, including advocacy on behalf of the profession and its clientele;
- (2) At least two academic terms of supervised mental health practicum intern experience for graduate credit of at least ~~three~~ six semester hours or ~~five~~ ten quarter hours ~~[per academic term]~~ in a mental

- health counseling setting with three hundred hours of supervised client contact; the practicum experience shall be completed under the clinical supervision of a person who is licensed as a mental health counselor, psychologist, clinical social worker, advanced practice registered nurse with a specialty in mental health, marriage and family therapist, or physician with a specialty in psychiatry;
- (3) Completion of not less than three thousand hours of post-graduate experience in the practice of mental health counseling with one hundred hours of face-to-face clinical supervision that shall be completed in no less than two years and in no more than four years, under the clinical supervision of a person who is a licensed mental health counselor, psychologist, clinical social worker, advanced practice registered nurse with a specialty in mental health, marriage and family therapist, or physician with a specialty in psychiatry; and
 - (4) Passed the National Counselor Examination for Licensure and Certification.”

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect on July 1, 2018.

(Approved July 10, 2018.)

ACT 186

S.B. NO. 2803

A Bill for an Act Relating to Boiler and Elevator Safety Law.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 397-3, Hawaii Revised Statutes, is amended to read as follows:

~~[[§397-3]]~~ **Definitions.** As used in this chapter:

“Appeals board” means the ~~[department of]~~ labor and industrial relations appeals board~~[-]~~ established by section 371-4.

“Boiler” means a closed vessel in which water or other liquid is heated, steam or vapor is generated, steam or vapor is superheated, or any combination thereof under pressure for use external to itself, by the direct application of ~~[heat. The term “boiler” includes fired units for heating or vaporizing liquids other than water where these units are separate from processing systems and complete within themselves.]~~ energy from the combustion of fuels, or from electricity or solar energy.

“Contractor” means any person, firm, or corporation installing, repairing, or servicing and responsible for the safe operation of any boiler, pressure system, amusement ride, ~~[and]~~ or elevator and kindred equipment or structure inspected pursuant to this chapter.

“Department” means the department of labor and industrial relations.

“Director” means the director of labor and industrial relations.

“Division” means the division of occupational safety and health.

“Elevator” means a hoisting and lowering mechanism permanently installed in a structure, designed to carry passengers or authorized personnel, equipped with a car or platform which moves in fixed guides and serves two or more fixed landings.

“Elevators and kindred equipment” [as used in this chapter] means elevators, escalators, dumbwaiters, moving walks, stage lifts, [mechanized parking elevators, manlifts,] inclined lifts, personnel hoists, [aerial tramways,] permanently installed material lifts, [personal automatic trains] and any other similar mechanized equipment used to convey people in places other than a public right-of-way.

“National Board” means the National Board of Boiler and Pressure Vessel Inspectors, [1055 Crupper Avenue, Columbus, Ohio 43229].

“Owner” means any person, firm, or corporation with legal title to any boiler, pressure system, amusement ride, [and] or elevator and kindred equipment inspected pursuant to this chapter who may or may not be the user.

“Pressure piping” means piping systems specified in the [American National Standard Code for Pressure Piping developed and promulgated by the American Society of Mechanical Engineers,] Power Piping Code B31.1.

“Pressure [systems?] system” means [both] either a pressure [vessels and] vessel or pressure piping as defined in this section.

“Pressure vessel” means a closed vessel in which pressure is obtained from an external source or by the direct application of heat from a direct or indirect source.

“User” means any person, firm, or corporation legally in possession and responsible for the safe operation of any boiler, pressure system, amusement ride, [and] or elevator and kindred equipment inspected pursuant to this chapter.

“Vendor” means any person, firm, or corporation that sells or distributes any boiler, pressure system, amusement ride, [and] or elevator and kindred equipment required to be inspected pursuant to this chapter.”

SECTION 2. Section 397-4, Hawaii Revised Statutes, is amended to read as follows:

“§397-4 Powers and duties. (a) Administration.

- (1) The department shall establish a boiler and elevator inspection branch for the enforcement of the rules adopted under this chapter and other duties as assigned;
- (2) The department shall:
 - (A) Implement and enforce the requirements of this chapter; and
 - (B) Keep adequate and complete records of the type, size, location, identification data, and inspection findings for boilers, pressure systems, amusement rides, and elevators and kindred equipment required to be inspected pursuant to this chapter;
- (3) The department shall formulate definitions and adopt and enforce standards and rules pursuant to chapter 91 that may be necessary for carrying out this chapter. [Definitions and rules adopted in accordance with chapter 91 under the authority of chapter 396, prior to the adoption of this chapter that pertain to boilers, pressure systems, amusement rides, and elevators and kindred equipment required to be inspected pursuant to this chapter, shall be continued in force under the authority of this chapter];
- (4) Emergency temporary standards may be adopted without conforming to chapter 91 and without hearings to take immediate effect upon giving public notice of the emergency temporary standards or upon another date that may be specified in the notice. An emergency temporary standard may be adopted, if the director determines:
 - (A) That the public or individuals are exposed to grave danger from exposure to hazardous conditions or circumstances; and

- (B) That the emergency temporary standard is necessary to protect the public or individuals from danger.
 Emergency temporary standards shall be effective until superseded by a standard adopted under chapter 91, but ~~[in any case]~~ shall not be effective ~~[no]~~ longer than six months;
- (5) Variances from standards adopted under this chapter may be granted upon application of an owner, user, contractor, or vendor. Application for variances shall correspond to procedures set forth in the rules adopted pursuant to this chapter. The director may issue an order for variance, if the director determines that the proponent of the variance has demonstrated that the conditions, practices, means, methods, operations, or processes used or proposed to be used will provide substantially equivalent safety as that provided by the standards;
- (6) Permits.
- (A) The department shall issue a “permit to operate” regarding any boiler, pressure system, amusement ride, or elevator and kindred equipment if found to be safe in accordance with rules adopted pursuant to chapter 91;
- (B) The department may immediately revoke any “permit to operate” of any boiler, pressure system, amusement ride, or elevator and kindred equipment found to be in an unsafe condition or where a user, owner, or contractor ignores prior department orders to correct specific defects or hazards and continues to use or operate the ~~[above mentioned]~~ above mentioned apparatus without abating the hazards or defects;
- (C) The department shall reissue a “permit to operate” to any user, owner, or contractor who demonstrates that the user, owner, or contractor is proceeding in good faith to abate all nonconforming conditions mentioned in department orders and the boilers, pressure systems, amusement rides, and elevators and kindred equipment are safe to operate; and
- (D) The department shall establish criteria for the periodic reinspection and renewal of the permits to operate, and may provide for the issuance of temporary permits to operate while any noncomplying boiler, pressure system, amusement ride, and elevator and kindred equipment are being brought into full compliance with the applicable standards and rules adopted pursuant to this chapter; provided that the period between an initial safety inspection or the inspection used as a basis for the issuance of a permit to operate, and any subsequent inspection of elevators and kindred equipment shall not exceed one year;
- (7) No person shall operate a boiler, pressure system, amusement ride, or elevator and kindred equipment ~~[which]~~ that are required to be inspected by this chapter or by any rule adopted pursuant to this chapter ~~[shall be operated]~~, except as necessary to install, repair, or test, unless a permit to operate has been authorized or issued by the department and remains valid; and
- (8) The department, upon the application of any owner, ~~[or]~~ user, or other person affected thereby, may grant time that may reasonably be necessary for compliance with any order. Any person affected by an order may for cause petition the department for an extension of time.

- (b) Inspection and investigation.
- (1) Authorized representatives of the director shall have the right to enter without delay during regular working hours and at other reasonable times any place, establishment, or premises in which are located boilers, pressure systems, amusement rides, ~~and~~ or elevators and kindred equipment requiring inspection pursuant to this chapter[-];
 - (2) The department shall inspect for the purpose of ~~insuring~~ ensuring compliance with the purposes and provisions of this chapter any activity related to the erection, construction, alteration, demolition, or maintenance of buildings, structures, bridges, highways, roadways, dams, tunnels, sewers, underground buildings or structures, underground pipelines or ducts, and other construction projects or facilities[-];
 - (3) The department shall review plans and make inspections, and investigations of boilers[-] and pressure systems, and the premises appurtenant to each at times and at intervals determined by the director for the purpose of ~~insuring~~ ensuring compliance with the ~~[purpose]~~ purposes and provisions of this chapter. This ~~[section]~~ paragraph shall not apply to single family dwellings or multiple dwelling units of less than six living units[-];
 - (4) The department shall review plans and make inspections, and investigations of elevators and kindred equipment and the premises appurtenant to each at times and at intervals determined by the director for the purpose of ~~insuring~~ ensuring compliance with the purposes and provisions of this chapter. This ~~[section]~~ paragraph shall not apply to single family dwellings[-];
 - (5) The department shall inspect, at least semi-annually, all mechanically or electrically operated devices considered as major rides and used as amusement rides at a carnival, circus, fair, or amusement park for the purpose of protecting the safety of the ~~[general]~~ public. This ~~[section]~~ paragraph shall not apply to any coin operated ride or mechanically or electrically operated devices considered or known in the amusement trade as kiddie rides[-];
 - (6) The department may investigate accidents involving boilers, pressure systems, amusement rides, and elevators and kindred equipment inspected under this chapter and may issue orders and recommendations with respect to the elimination and control of the cause factors[-];
 - (7) The department shall have the right to question any employer, owner, operator, agent, or employee in investigation, enforcement, and inspection activities covered by this chapter[-]; and
 - (8) Any employee of the State acting within the scope of the employee's office, employment, or authority under this chapter shall not be liable in or made a party to any civil action ~~[growing]~~ arising out of the administration and enforcement of this chapter.
- (c) Education and training.
- (1) The department may disseminate through exhibitions, pictures, lectures, pamphlets, letters, notices, and any other method of publicity, to owners, users, vendors, architects, contractors, employees, and the ~~[general]~~ public information regarding boilers, pressure systems, amusement rides, and elevators and kindred equipment required to be inspected pursuant to this chapter[-]; and
 - (2) Where appropriate, the department may undertake programs in training and consultation with owners, users, property management

firms, vendors, architects, contractors, employees, and the [general] public regarding the safety requirements of this chapter and the rules [~~and regulations.~~] adopted pursuant to this chapter.

(d) Enforcement.

- (1) Whenever right of entry to a place to inspect any boiler, pressure system, amusement ride, or elevator and kindred equipment required by this chapter to be inspected is refused to an authorized representative of the director, the department may apply to the circuit court where [~~such~~] the place [exists] is located for a search warrant providing on its face that the wilful interference with its lawful execution may be punished as a contempt of court[-];
- (2) Whenever the department finds that the construction of or the operation of any boiler, pressure system, amusement ride, or elevator and kindred equipment required to be inspected by this chapter is not safe, or that any practice, means, method, operation, or process employed or used is unsafe or is not in conformance with the rules [~~and regulations promulgated~~] adopted pursuant to this chapter, the department shall issue an order to render the construction or operation safe or in conformance with this chapter or the rules [and regulations] and deliver the [~~same~~] order to the contractor, owner, or user. Each order shall be in writing and may be delivered by mail or in person. The department may in the order direct that, in the manner and within a time specified [~~such~~], any additions, repairs, improvements, or changes be made and [~~such~~] safety devices and safeguards be furnished, provided, and used as are reasonably required to [~~insure~~] ensure compliance with the purposes and provisions of this chapter. The owner, [~~or~~] user, or contractor shall obey and observe all orders issued by the department or be subject to appropriate civil penalties[-];
- (3) Whenever in the opinion of the department the condition [~~of~~] or [~~the~~] operation of boilers, pressure systems, amusement rides, or elevators and kindred equipment required to be inspected by this chapter, or any practice, means, method, operation, or process employed or used, is unsafe, or is not properly guarded or is dangerously placed, the use thereof may be prohibited by the department[-] and an order to that effect shall be posted prominently on the equipment, or near the place or condition referred to in the order. The order shall be removed when a determination has been made by an authorized representative of the department that the boilers, pressure systems, amusement rides, or elevators and kindred equipment are safe and the required safeguards or safety devices are provided[-];
- (4) When in the opinion of the department the operation of boilers, pressure systems, amusement rides, or elevators and kindred equipment[-] required to be inspected by this chapter or any practice, means, method, operation, or process employed or used constitutes an imminent hazard to the life or safety of any person[-] or [~~to~~] property, the department may apply to the circuit court of the circuit in which [~~such~~] the boilers, pressure systems, amusement rides, or elevators and kindred equipment are [~~situated~~] located or [~~such~~] the practice, means, method, operation, or process is employed for an injunction restraining the use or operation until the use or operation is made safe. The application to the circuit court accompanied by an affidavit showing that the use or operation exists in violation of a standard, rule, [~~regulation~~], variance, or order of the depart-

- ment and constitutes an imminent hazard to the life or safety of any person or [tø] property and accompanied by a copy of the standard, rule, [regulation,] variance, or applicable order, shall warrant, in the discretion of the court, the immediate granting of a temporary restraining order. No bond shall be required from the department as a prerequisite to the granting of a restraining order[-];
- (5) The director and the director's authorized representative shall have the same powers respecting the administering of oaths, compelling the attendance of witnesses, the production of documentary evidence, and examining or causing to be examined witnesses as are possessed by the court and may take depositions and certify to official acts. The circuit court of any circuit, upon application by the director, shall have the power to enforce by proper proceedings the attendance and testimony of any witness so subpoenaed. Subpoena and witness fees and mileage in such cases shall be the same as in criminal cases in the circuit courts. Necessary expenses of, or in connection with, [such] the hearings or investigations shall be payable from the funds appropriated for expenses of administration of the department. No person shall be excused from attending or testifying or producing materials, books, papers, correspondences, memoranda, and other records before the director or in obedience to subpoena on the grounds that the testimony or evidence, documentary or otherwise, required of the person may tend to incriminate the person or subject the person to a penalty or forfeiture; but no individual shall be prosecuted or subjected to any penalty or forfeiture for or on account of any transaction, matter, or thing concerning which the individual is compelled, after having claimed the individual's privilege against self-incrimination, to testify or produce evidence, documentary, or otherwise, except that [such] the individuals [sø] testifying shall not be exempt from prosecution and punishment for perjury committed [in sø] while testifying[-];
- (6) Where a condition or practice involving any boiler, pressure system, amusement ride, or elevator and kindred equipment required to be inspected by this chapter could reasonably be expected to cause death or serious physical harm, the department shall have the right, independent of any other enforcement powers under this chapter, to:
- (A) Immediately take steps to obtain abatement by informing the owners, users, contractors, and all persons in harms way of [such] the hazard by meeting, posted notice, or otherwise;
 - (B) Take steps to immediately obtain abatement through direct control or elimination of the hazard if after reasonable search, the user, owner, or contractor or their representative is not available;
 - (C) Take steps to obtain immediate abatement when the nature and imminency of the danger or hazard does not permit a search for the owner, user, or contractor; and
 - (D) Where appropriate, initiate necessary legal proceedings to require abatement by the owner, user, or contractor[-]; and
- (7) The department may prosecute, defend, and maintain actions in the name of the department for the enforcement of the provisions of this chapter, including the enforcement of any order issued by it, the appeal of any administrative or court decision, and other actions necessary to enforce this chapter."

SECTION 3. Section 397-5, Hawaii Revised Statutes, is amended by amending subsections (b) and (c) to read as follows:

“(b) All fees received by the department pursuant to this section shall be paid into the boiler and elevator [special] revolving fund.

(c) Effective July 1, 2012, the fees for inspections, permits, and examinations of boilers, pressure systems, elevators, kindred equipment, and amusement rides shall be as prescribed by the schedules in this section; provided that the director may adopt rules pursuant to chapter 91 to amend the fees specified in this section.

SCHEDULE A: Boiler and Pressure System Fees

Installation, Repair, and Alteration Permit Fees:

(1) Power boilers (shall pass a hydrostatic test unless indicated otherwise):	
Miniature electric (no hydrostatic test required)	\$190
Less than 500 square feet of heating surface	\$250
Greater than or equal to 500 and less than or equal to 3,000 square feet of heating surface	\$400
Greater than 3,000 square feet of heating surface	\$750
(2) Heating boiler	\$190
Retrofit	\$160
(3) Pressure vessel	\$175
Retrofit	\$130
(4) Sterilizers and steam kettles	\$150
Retrofit	\$110
(5) Repair application fee	\$200
(6) Alteration application fee	\$500

Examination and License Fees:

(1) Boiler inspectors certificate of competency examination fee	\$300
(2) Review of shops and facilities for the issuance of National Board or American Society of Mechanical Engineers certificate of authorization	\$1,500
(3) Review of shops and facilities for the issuance of Non-Boiler External Piping certificate of authorization	\$750
(4) Boiler inspector’s Hawaii commission, initial and renewal	\$75

Internal and External Inspection Fees:

(1) Power boilers:	
Without manholes	\$150
With manholes but less than or equal to 3,000 square feet of heating surface	\$180
With manholes greater than 3,000 and less than or equal to 10,000 square feet of heating surface	\$260
With manholes and over 10,000 square feet of heating surface	\$450

(2) Heating boilers:	
Hot water supply	\$130
Steam and water heating without manholes	\$110
Steam, over 100 square feet but not over 500 square feet of heating surface	\$140
All with manholes and steam over 500 square feet of heating surface	\$170
(3) Pressure vessels:	
Routine inspections	\$65
Internal for air or water service	\$130
Ultrasonic testing	\$130
(4) For all other types of inspections an hourly fee is assessed	\$100
(5) Hydrostatic test	\$300
(6) School "specials" (non-code objects)	\$10
Reports and Permit Processing Fees:	
(1) Report and permit	\$25
(2) Permit reprint	\$20
(3) Signed permit card (old issue)	\$10
(4) Owner portal	\$5

SCHEDULE B: Elevator and Kindred Equipment Fees

Installation and Alteration Permits:

(1) Alteration involving only the replacement of up to two parts (such as a valve, a jack, or a cylinder)	\$150
(2) Alteration involving only cosmetic changes (such as car interior modernizations)	\$300
(3) Alterations of more than two parts, [and/or] components, [and/or] or subsystems:	
1 - 3 floors	\$600
4 - 9 floors	\$650
10 - 19 floors	\$700
20 - 29 floors	\$750
30 - 39 floors	\$800
40 or more floors	\$900
(4) Where alterations to four or more units at the same location are identical, the fee for each additional alteration permit shall be reduced by fifty per cent. The applications must ¹ be submitted at the same time to qualify for the fee reduction.	
(5) Installation of new elevators (including material lifts) and kindred equipment:	
Dumbwaiter	\$500
Escalator, moving walk, or moving ramp	\$500
Hand elevator [, manlift,] or stage lift	\$500
Wheelchair or stairway lifts	\$500
Elevator, 1 - 3 floors	\$600
Elevator, 4 - 9 floors	\$650
Elevator, 10 - 19 floors	\$700
Elevator, 20 - 29 floors	\$750
Elevator, 30 - 39 floors	\$800
Elevator, 40 or more floors	\$900

	[Aerial tramways	\$900]
	Personnel hoists	\$250
	Inclined tunnel lifts	\$500
	(For elevators, such as observation or deep well elevators, which have considerable rise but few openings, each ten feet of vertical rise shall be considered one floor for the purpose of determining installation or alteration permit fees.)	
(6)	Temporary use permits (construction car)	\$450
(7)	For each valid alteration or installation permit, the department shall provide one inspection per unit.	
(8)	The fee for each additional inspection or witnessing of tests, or both, shall be \$300 per day for up to two hours and \$600 per day for more than two hours if during the normal workday. Fees for overtime hours shall be \$600 per day for up to two hours and \$1,200 per day for more than two hours.	
(9)	Each installation or alteration permit shall be valid for up to one year from date of issuance.	
	Inspection Fees:	
(1)	Permit renewal inspection fees:	
	Dumbwaiter	\$140
	Escalator, moving walk, or moving ramp	\$150
	Hand elevator[, manlift,] or stage lift	\$150
	Wheelchair or stairway lifts	\$150
	Hydraulic elevator - holed	\$150
	Hydraulic elevator - holeless	\$200
	Traction elevator:	
	1 - 3 floor rise	\$225
	4 - 9 floor rise	\$250
	10 - 19 floor rise	\$275
	20 - 29 floor rise	\$325
	30 - 39 floor rise	\$400
	40 or more floor rise	\$475
	[Aerial tramways	\$400]
	Personnel hoists	\$175
	Inclined tunnel lifts	\$220
(2)	Safety, load or internal test (witness fees):	
	3-year safety test	\$200
	5-year safety test	\$300
	Escalator internal	\$100
(3)	Permit renewal and witness fees are per inspection, which may constitute one day or part of the day. If the inspector is required to return on another day or at another time on the same day, additional fees shall be assessed at the rate of \$300 per day for up to two hours and \$600 per day for more than two hours. Fees for overtime hours shall be	

\$600 per day for up to two hours and \$1,200 per day for more than two hours.

SCHEDULE C: Amusement Ride Fees

Inspection Fees:

- (1) Permit renewal inspection fees:
Amusement ride \$100
- (2) Permit renewal fees are per inspection, which may constitute one day or part of the day. If the inspector has to return on another day or at another time within the same day, additional fees shall be assessed at the rate of \$300 per day for up to two hours and \$600 per day for more than two hours. Fees for overtime hours shall be \$600 per day for up to two hours and \$1,200 per day for more than two hours."

SECTION 4. Section 397-6, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

"(b) A qualified boiler inspector is a person eligible for or in possession of a valid commission issued by the National Board of Boiler and Pressure Vessel Inspectors, who has satisfied the requirements established by the department, and who has received from the director or the director's authorized agent briefings and instructions regarding the rules ~~[and regulations]~~ pertaining to boilers and pressure systems in this State."

SECTION 5. Section 397-13, Hawaii Revised Statutes, is amended to read as follows:

~~"[§397-13]~~ **Boiler and elevator ~~[special] revolving fund; establishment; purposes.]~~ purpose.** (a) There is established in the state treasury the boiler and elevator ~~[special] revolving fund,~~ into which shall be deposited all fees collected pursuant to section 397-5 and any appropriation from the legislature. All interest and investment moneys earned on any moneys in the ~~[special] revolving fund~~ shall become part of the ~~[special] revolving fund.~~

(b) The purpose of the ~~[special] revolving fund~~ is to provide for sufficient operating costs to carry out the purposes of this chapter. Moneys in the fund may be expended for:

- (1) Personnel and operating expenses;
- (2) Staff training and staff certification fees and expenses;
- (3) Preparation and dissemination of public information on safe installation and use of equipment regulated by this chapter;
- (4) Preparation of annual reports to the legislature as required by this chapter; and
- (5) Reimbursement to the general fund as required by this section.

(c) The director shall submit a report to the legislature on the status of the boiler and elevator ~~[special] revolving fund,~~ including expenditures and program results, not less than twenty days prior to the convening of each regular session.

(d) No later than ~~[five] ten~~ years from the date of the establishment of the ~~[special] revolving fund,~~ the director shall reimburse the general fund for the amount of any initial appropriation that was made by the general revenues of the State to the ~~[special] revolving fund."~~

SECTION 6. This Act does not affect the rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

SECTION 7. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 8. This Act shall take effect on July 1, 2018.

(Approved July 10, 2018.)

Note

- 1. Prior to amendment "shall" appeared here.

ACT 187

S.B. NO. 2801

A Bill for an Act Relating to the Department of Labor and Industrial Relations.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Chapter 371, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

“§371- Labor law enforcement special fund; establishment; purposes.

(a) There is established in the state treasury the labor law enforcement special fund into which shall be deposited:

- (1) All penalties collected pursuant to section 388-9.7;
- (2) All penalties collected pursuant to section 388-10;
- (3) All civil penalties assessed pursuant to section 396-10;
- (4) Moneys appropriated by the legislature to the fund; and
- (5) Any income and capital gains earned by the fund.

(b) The purpose of the special fund is to provide for sufficient operating costs to collect penalties and fees assessed by the department. Moneys in the fund may be used for:

- (1) Personnel and operating expenses;
- (2) Staff development, training, fees, and expenses; and
- (3) Litigation expenses, including but not limited to transcript costs, and interpretation and translation services.

(c) The unencumbered balance of the fund exceeding \$500,000 at the end of every fiscal year shall be deposited into the general fund on or about June 30 every year.”

SECTION 2. Section 388-10, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

“(a) Civil. Any employer who fails to pay wages in accordance with this chapter without equitable justification or violates this chapter or the administrative rules adopted under this chapter shall be liable:

- (1) To the employee, in addition to the wages legally proven to be due, for a sum equal to the amount of unpaid wages and interest at a rate of six per cent per year from the date that the wages were due; and
- (2) For a penalty of not less than \$500 or \$100 for each violation, whichever is greater. The penalty shall be deposited into the [general] labor law enforcement special fund.”

SECTION 3. Section 396-10, Hawaii Revised Statutes, is amended to read as follows:

“§396-10 Violations and penalties. (a) Any employer who violates this chapter, or any occupational safety and health standard promulgated hereunder or any rule issued under the authority of this chapter, or who violates or fails to comply with any citation, notice, or order made under or by virtue of this chapter or under or by virtue of any rule of the department, or who defaces, displaces, destroys, damages, or removes without the authority of the department any safety device, safeguards, notice, or warning required by this chapter or any rule of the department may be assessed a civil penalty as specified in this chapter.

(b) Any employer who has received an order or citation for a serious violation of any standard or rule adopted pursuant to this chapter shall be assessed a civil penalty of not more than \$12,675 for each violation.

(c) Any employer who has received an order or citation for a violation of any standard or rule adopted pursuant to this chapter, and the violation is specifically determined not to be of a serious nature, may be assessed a civil penalty of up to \$12,675 for each violation.

(d) Each day a violation continues shall constitute a separate violation except that during an abatement period only, no additional penalty shall be levied against the employer.

(e) Any employer who violates any of the posting requirements prescribed under this chapter shall be assessed a civil penalty of up to \$12,675 for each violation.

(f) Any employer who wilfully or repeatedly violates this chapter, or any standard, rule, citation, or order issued under the authority of this chapter, shall be assessed a civil penalty of not more than \$126,749 for each violation, but not less than \$9,054 for each wilful violation.

(g) Any employer convicted of wilful or repeated violations of any standard, rule, citation, or order issued under the authority of this chapter resulting in the death of an employee shall be punished by a fine of not more than \$126,749 or by imprisonment for not more than six months, or both, except that if the conviction is for a violation committed after a first conviction, punishment shall be by a fine of not more than \$126,749 or by imprisonment for not more than one year, or both. Failure to correct a violation for which an order or citation of arrest has been issued shall be evidence of wilful conduct.

(h) Any employer who has received an order for violation under section 396-8(e) may be assessed a civil penalty of not more than \$9,054 for each violation.

(i) Any person who gives advance notice of any inspection to be conducted under this chapter, without authority from the director or the director's designees shall, upon conviction, be punished by a fine of not more than \$9,054 or by imprisonment for not more than six months, or by both.

(j) The director shall have authority to assess all civil penalties provided in this section, giving due consideration to the appropriateness of the penalty with respect to the size of the business of the employer being charged, the gravity of the violation, the good faith of the employer, and the history of previous violations.

(k) Civil penalties imposed under this chapter shall be paid to the department and may be recovered by civil action in the name of the department and the State brought in the district or circuit court for the circuit where the violation is alleged to have occurred or where the employer has its principal office.

(l) When an alleged violation of any provision of this chapter or any standard, rule, or order made pursuant to this chapter has occurred, the depart-

ment shall promptly issue a written citation, order, or notice thereof to the employer who shall be required to post the citation, order, or notice. The citation, order, or notice thereof shall include the abatement requirements and within a reasonable time the employer shall be advised of the proposed sanctions, including proposed penalties. Whenever reference is made to posting of any citation, order, notice, petition, decision, or any other type of document issued by the director under this chapter and rules adopted pursuant to this chapter, the employer shall post copies of the document at the work site involved or affected and at the place or places where notices to the employees involved are normally posted. Where posting starts the time for notice of action to or for appeal by employees under this chapter and rules adopted under this chapter, the document shall be posted by the employer upon receipt or on the next business day following receipt.

(m) Whoever knowingly makes any false statement, representation, or certification in any application, record, report, plan, or other document filed or required to be maintained pursuant to this chapter shall, upon conviction, be punished by a fine of not more than \$11,000, or by imprisonment for not more than six months, or by both.

(n) Criminal offenses committed against any employee of the State acting within the scope of the employee's office, employment, or authority under this chapter shall be subject to the penalties set forth in the Hawaii Penal Code; provided that:

- (1) Ten years shall be added to the maximum term of imprisonment (unless life imprisonment is imposed) and \$55,000 shall be added to the maximum fine imposed for conviction of a class A felony;
- (2) Five years shall be added to the maximum term of imprisonment and \$27,500 shall be added to the maximum fine imposed for conviction of a class B felony;
- (3) Three years shall be added to the maximum term of imprisonment and \$11,000 shall be added to the maximum fine for conviction of a class C felony;
- (4) One year shall be added to the maximum term of imprisonment and \$2,200 shall be added to the maximum fine for conviction of a misdemeanor; and
- (5) The maximum term of imprisonment and maximum fines prescribed for misdemeanors under the Hawaii Penal Code shall apply to convictions of a petty misdemeanor.

(o) The director shall adjust penalties pursuant to the Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015, section 701 of P.L. 114-74, by December 15, 2018, and each year thereafter. The director shall adjust penalty levels using the guidance of the Office of Management and Budget and issue the new penalties by December 15 of each year. The new penalties shall take effect the following January 15 of each year. The director shall submit a report to the legislature no later than twenty days prior to the convening of each regular session on the penalty adjustments.

(p) All civil penalties collected pursuant to this section shall be deposited into the labor law enforcement special fund."

SECTION 4. The attorney general shall establish two additional positions, without regard to chapters 76 and 89, Hawaii Revised Statutes, to carry out the purposes of this Act. The positions shall include an attorney and a legal assistant II.

SECTION 5. There is appropriated out of the general revenues of the State of Hawaii the sum of \$98,163 or so much thereof as may be necessary for fiscal year 2018-2019 to be deposited into the labor law enforcement special fund.

SECTION 6. There is appropriated out of the labor law enforcement special fund the sum of \$98,163 or so much thereof as may be necessary for fiscal year 2018-2019 for the purposes of this Act.

The sum appropriated shall be expended by the department of labor and industrial relations for the purposes of this Act.

SECTION 7. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.¹

SECTION 8. This Act shall take effect on July 1, 2018.

(Approved July 10, 2018.)

Note

1. Edited pursuant to HRS §23G-16.5.

ACT 188

H.B. NO. 2377

A Bill for an Act Relating to Workers' Compensation.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 386-25, Hawaii Revised Statutes, is amended by amending subsection (e) to read as follows:

“(e) A provider shall file the employee’s plan with the approval of the employee. Upon receipt of the plan from the provider, an employee shall have ten days to review and sign the plan. The plan shall be submitted to the employer and the employee and be filed with the director within two days from the date of the employee’s signature. A plan shall include a statement of the feasibility of the vocational goal, using the process of:

- (1) First determining if the employee’s usual and customary employment represents suitable gainful employment, and, should it not;
- (2) Next determining if modified work or other work with the same employer represents suitable gainful employment, and, should it not;
- (3) Next determining if modified or other employment with a different employer represents suitable gainful employment, and finally, should it not;
- (4) Then providing training to obtain employment in another occupational field. When training to obtain employment in another occupational field is required, the first appropriate option among the following options shall be selected for the employee:
 - (A) On-the-job training;
 - (B) Short-term retraining program (less than fifty-two weeks); or
 - (C) Long-term retraining program (more than fifty-two weeks);

and
- (5) Lastly, if training under paragraph (4) is not feasible, then self-employment may be considered.”

SECTION 2. Section 386-71.5, Hawaii Revised Statutes, is amended to read as follows:

“~~§386-71.5~~ **Rehabilitation unit.** There is established within the department of labor and industrial relations a rehabilitation unit. All professional and clerical employees of this unit shall be appointed and administered by the director. The rehabilitation unit shall have the duties and responsibilities provided in section 386-25. Employees of the unit shall be subject to chapter 76.”

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect upon its approval.

(Approved July 10, 2018.)

ACT 189

H.B. NO. 2435

A Bill for an Act Relating to Motor Carriers.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 271-4, Hawaii Revised Statutes, is amended¹ read as follows:

“**§271-4 Definitions.** As used in this chapter:

- (1) “Chapter” means the Motor Carrier Law.
- (2) “Commission” means the public utilities commission.
- (3) “Person” or “persons” means any individual, firm, copartnership, corporation, company, association, or joint stock association; and includes any trustee, receiver, assignee, or personal representative thereof.
- (4) “Certificate” means a certificate of public convenience and necessity issued under this chapter to common carriers by motor vehicle.
- (5) “Permit” means a permit issued under this chapter to contract carriers by motor vehicle.
- (6) “Transportation of persons” includes every service in connection with or incidental to the safety, comfort, or convenience of persons transported and the receipt, carriage, and delivery of these persons and their baggage.
- (7) “Transportation of property” includes every service in connection with or incidental to the transportation of property, including in particular its receipt, delivery, elevation, transfer, carriage, ventilation, refrigeration, icing, dunnage, storage in transit, handling, and its consolidation for the purposes of forwarding within the State.
- (8) “Motor vehicle” means any vehicle, machine, tractor, trailer, or semitrailer propelled or drawn by mechanical power and used upon the highways in the transportation of passengers or property, or any combination thereof determined by the commission, but does not include any vehicle, locomotive, or car operated exclusively on a rail or rails or a trolley bus operated by electric power derived from a fixed overhead wire, furnishing local passenger transportation similar to street-railway service.

- (9) “Highway” means the public roads, highways, streets, and ways in this State.
- (10) “Rates” includes rates, fares, tolls, rentals, and charges of whatever kind and nature unless the context indicates otherwise~~[-];~~ provided that for transportation by motor vehicle of passengers, where the provision of transportation is part of a package that may include air fare, meals, attractions, and other services, “rates” shall only include the charges for the provision of transportation by motor vehicle.
- (11) “Common carrier by motor vehicle” means any person ~~[which]~~ that holds itself out to the general public to engage in the transportation by motor vehicle of passengers or property or any class or classes thereof for compensation.
- (12) “Contract carrier by motor vehicle” means any person ~~[which]~~ that engages in transportation by motor vehicle of passengers or property for compensation (other than transportation referred to in paragraph (11)) under continuing contracts with one person or a limited number of persons either ~~[(A)]~~; for the furnishing of transportation services through the assignment of motor vehicles for a continuing period of time to the exclusive use of each person served~~[-];~~ or ~~[(B)]~~ for the furnishing of transportation services designed to meet the distinct need of each individual customer.
- (13) “Motor carrier” includes both a common carrier by motor vehicle and a contract carrier by motor vehicle.
- (14) “Private carrier of property by motor vehicle” means any person not included in the terms “common carrier by motor vehicle” or “contract carrier by motor vehicle”, who or ~~[which]~~ that transports by motor vehicle property of which the person is the owner, lessee, or bailee, when such transportation is for the purpose of sale, lease, rent, or bailment, or in the furtherance of any commercial enterprise.
- (15) “Enforcement officer” means any person employed and authorized by the commission to investigate any matter on behalf of the commission. The term also means a motor vehicle safety officer employed and assigned, pursuant to section 271-38, by the department of transportation to enforce sections 271-8, 271-12, 271-13, 271-19, and 271-29 through the assessment of civil penalties as provided in section 271-27(h), (i), and (j).”

SECTION 2. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 3. This Act shall take effect upon its approval.

(Approved July 10, 2018.)

Note

1. So in original.

ACT 190

H.B. NO. 2385

A Bill for an Act Relating to the Uniform Controlled Substances Act.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 329-14, Hawaii Revised Statutes, is amended by amending subsections (f) and (g) to read as follows:

“(f) Stimulants. Unless specifically excepted or unless listed in another schedule, any material, compound, mixture, or preparation which contains any quantity of the following substances having a stimulant effect on the central nervous system, including its salts, isomers, and salts of isomers:

- (1) Aminorex;
- (2) Cathinone;
- (3) Fenethylline;
- (4) Methcathinone;
- (5) N-ethylamphetamine;
- (6) 4-methylaminorex;
- (7) N,N-dimethylamphetamine; and
- (8) Substituted cathinones, any compound, except bupropion or compounds listed under a different schedule, structurally derived from 2-aminopropan-1-one by substitution at the 1-position with either phenyl, naphthyl, or thiophene ring systems, whether or not the compound is further modified in any of the following ways:
 - (A) By substitution in the ring system to any extent with alkyl, alkylendioxy, alkoxy, haloalkyl, hydroxyl, or halide substituents, whether or not further substituted in the ring system by one or more other univalent substituents;
 - (B) By substitution at the 3-position with an acyclic alkyl substituent; or
 - (C) By substitution at the 2-amino nitrogen atom with alkyl, dialkyl, benzyl, or methoxybenzyl groups, or by inclusion of the 2-amino nitrogen atom in a cyclic structure.

Some other trade names: Mephedrone (2-methylamino-1-p-tolylpropan-1-one), also known as 4-methylmethcathinone (4-MMC), methylephedrone or MMCAT;

Methylenedioxypropylvalerone (MDPV, MDPK);

methylone or 3,4-methylenedioxy-methcathinone; and

1-(benzo[d][1,3]dioxol-5-yl)-2-(ethylamino)propan-

1-one, monohydrochloride, also known as Ethylone,

bk-MDEA hydrochloride, MDEC; 3,4-Methylenedioxy-N-

ethylcathinone; bk-Methylenedioxyethylamphetamine[-],

4-methyl-N-ethylcathinone (4-MEC); 4-methyl-

alpha-pyrrolidinopropiophenone (4-MePPP);

alpha-pyrrolidinopentiophenone ([alpha]-PVP);

1-(1,3-benzodioxol-5-yl)-2-(methylamino)butan-1-one (butylone,

bk-MBDB e); 2-(methylamino)-1-phenylpentan-1-one

(pentedrone); 1-(1,3-benzodioxol-5-yl)-2-(methylamino)pentan-

1-one (pentylone, bk-MBDP); 4-fluoro-N-methylcathinone

(4-FMC, flephedrone); 3-fluoro-N-methylcathinone (3-FMC);

1-(naphthalen-2-yl)-2-(pyrrolidin-1-yl)pentan-1-one (naphyrone);

alpha-pyrrolidinobutiophenone ([alpha]-PBP) and their optical,

positional, and geometric isomers, salts and salts of isomers,

whenever the existence of such salts, isomers, and salts of isomers is possible.

(g) Any of the following cannabinoids, their salts, isomers, and salts of isomers, unless specifically excepted, whenever the existence of these salts, isomers, and salts of isomers is possible within the specific chemical designation:

- (1) Tetrahydrocannabinols; meaning tetrahydrocannabinols naturally contained in a plant of the genus Cannabis (cannabis plant), as well as synthetic equivalents of the substances contained in the plant, or in the resinous extractives of Cannabis, sp. or synthetic substances, derivatives, and their isomers with similar chemical

- structure and pharmacological activity to those substances contained in the plant, such as the following: Delta 1 cis or trans tetrahydrocannabinol, and their optical isomers; Delta 6 cis or trans tetrahydrocannabinol, and their optical isomers; and Delta 3,4 cis or trans-tetrahydrocannabinol, and its optical isomers (since nomenclature of these substances is not internationally standardized, compounds of these structures, regardless of numerical designation of atomic positions, are covered);
- (2) Naphthoylindoles; meaning any compound containing a 3-(1-naphthoyl)indole structure with substitution at the nitrogen atom of the indole ring by a alkyl, haloalkyl, alkenyl, cycloalkylmethyl, cycloalkylethyl, 1-(N-methyl-2-piperidinyl)methyl or 2-(4-morpholinyl)ethyl group, whether or not further substituted in the indole ring to any extent and whether or not substituted in the naphthyl ring to any extent;
 - (3) Naphthylmethylindoles; meaning any compound containing a 1H-indol-3-yl-(1-naphthyl) methane structure with substitution at the nitrogen atom of the indole ring by a alkyl, haloalkyl, alkenyl, cycloalkylmethyl, cycloalkylethyl, 1-(N-methyl-2-piperidinyl) methyl or 2-(4-morpholinyl) ethyl group whether or not further substituted in the indole ring to any extent and whether or not substituted in the naphthyl ring to any extent;
 - (4) Naphthoylpyrroles; meaning any compound containing a 3-(1-naphthoyl)pyrrole structure with substitution at the nitrogen atom of the pyrrole ring by a alkyl, haloalkyl, alkenyl, cycloalkylmethyl, cycloalkylethyl, 1-(N-methyl-2-piperidinyl) methyl or 2-(4-morpholinyl) ethyl group whether or not further substituted in the pyrrole ring to any extent, whether or not substituted in the naphthyl ring to any extent;
 - (5) Naphthylmethylindenes; meaning any compound containing a naphthylideneindene structure with substitution at the 3-position of the indene ring by a alkyl, haloalkyl, alkenyl, cycloalkylmethyl, cycloalkylethyl, 1-(N-methyl-2-piperidinyl) methyl or 2-(4-morpholinyl) ethyl group whether or not further substituted in the indene ring to any extent, whether or not substituted in the naphthyl ring to any extent;
 - (6) Phenylacetylindoles; meaning any compound containing a 3-phenylacetylindole structure with substitution at the nitrogen atom of the indole ring by a alkyl, haloalkyl, alkenyl, cycloalkylmethyl, cycloalkylethyl, 1-(N-methyl-2-piperidinyl) methyl or 2-(4-morpholinyl) ethyl group whether or not further substituted in the indole ring to any extent, whether or not substituted in the phenyl ring to any extent;
 - (7) Cyclohexylphenols; meaning any compound containing a 2-(3-hydroxycyclohexyl) phenol structure with substitution at the 5-position of the phenolic ring by a alkyl, haloalkyl, alkenyl, cycloalkylmethyl, cycloalkylethyl, 1-(N-methyl-2-piperidinyl) methyl or 2-(4-morpholinyl) ethyl group whether or not substituted in the cyclohexyl ring to any extent;
 - (8) Benzoylindoles; meaning any compound containing a 3-(benzoyl) indole structure with substitution at the nitrogen atom of the indole ring by a alkyl, haloalkyl, alkenyl, cycloalkylmethyl, cycloalkylethyl, 1-(N-methyl-2-piperidinyl) methyl, or 2-(4-morpholinyl) ethyl group whether or not further substituted in

- the indole ring to any extent and whether or not substituted in the phenyl ring to any extent;
- (9) 2,3-Dihydro-5-methyl-3-(4-morpholinylmethyl) pyrrolo[1,2,3-de]-1,4-benzoxazin-6-yl]-1-naphthalenylmethanone (another trade name is WIN 55,212-2);
 - (10) (6a,10a)-9-(hydroxymethyl)-6,6-dimethyl-3-(2-methyloctan-2-yl)-6a,7,10,10a-tetrahydrobenzo[c]chromen-1-ol (Other trade names are: HU-210/HU-211);
 - (11) Tetramethylcyclopropanoylindoles; meaning any compound containing a 3-tetramethylcyclopropanoylindole structure with substitution at the nitrogen atom of the indole ring by an alkyl, haloalkyl, cyanoalkyl, alkenyl, cycloalkylmethyl, cycloalkylethyl, 1-(N-methyl-2-piperidinyl)methyl, 2-(4-morpholinyl)ethyl, 1-(N-methyl-2-pyrrolidinyl)methyl, 1-(N-methyl-3-morpholinyl)methyl, or tetrahydropyranylmethyl group, whether or not further substituted in the indole ring to any extent and whether or not substituted in the tetramethylcyclopropyl ring to any extent;
 - (12) N-(1-adamantyl)-1-pentyl-1H-indazole-3-carboxamide, its optical, positional, and geometric isomers, salts, and salts of isomers (Other names: APINACA, AKB48);
 - (13) Quinolin-8-yl 1-pentyl-1H-indole-3-carboxylate, its optical, positional, and geometric isomers, salts, and salts of isomers (Other names: PB-22; QUPIC);
 - (14) Quinolin-8-yl 1-(5fluoropentyl)-1H-indole-3-carboxylate, its optical, positional, and geometric isomers, salts, and salts of isomers (Other names: 5-fluoro-PB-22; 5F-PB-22);
 - (15) N-(1-amino-3-methyl-1-oxobutan-2-yl)-1-(4-fluorobenzyl)-1H-indazole-3-carboxamide, its optical, positional, and geometric isomers, salts, and salts of isomers (Other names: AB-FUBINACA);
 - (16) N-(1-amino-3,3-dimethyl-1-oxobutan-2-yl)-1-pentyl-1H-indazole-3-carboxamide, its optical, positional, and geometric isomers, salts, and salts of isomers (Other names: ADB-PINACA);
 - (17) N-(1-amino-3-methyl-1-oxobutan-2-yl)-1-(cyclohexylmethyl)-1H-indazole-3-carboxamide, its optical, positional, and geometric isomers, salts, and salts of isomers (Other names: AB-CHMINACA);
 - (18) N-(1-amino-3-methyl-1-oxobutan-2-yl)-1-pentyl-1H-indazole-3-carboxamide, and geometric isomers, salts, and salts of isomers (Other names: AB-PINACA);
 - (19) [1-(5-fluoropentyl)-1H-indazol-3-yl](naphthalen-1-yl)methanone, and geometric isomers, salts, and salts of isomers (Other names: THJ-2201);
 - (20) Methyl (1-(4-fluorobenzyl)-1H-indazole-3-carbonyl)-L-valinate, and geometric isomers, salts, and salts of isomers (Other names: FUB-AMB);
 - (21) (S)-methyl 2-(1-(5-fluoropentyl)-1H-indazole-3-carboxamido)-3-methylbutanoate, and geometric isomers, salts, and salts of isomers (Other names: 5-fluoro-AMB, 5-fluoro-AMP);
 - (22) N-((3s,5s,7s)-adamantan-1-yl)-1-(5-fluoropentyl)-1H-indazole-3-carboxamide, and geometric isomers, salts, and salts of isomers (Other names: AKB48 N-(5-fluoropentyl) analog, 5F-AKB48, APINACA 5-fluoropentyl analog, 5F-APINACA);

- (23) N-adamantyl-1-fluoropentylindole-3-Carboxamide, and geometric isomers, salts, and salts of isomers (Other names: STS-135, 5F-APICA; 5-fluoro-APICA);
- (24) Naphthalen-1-yl 1-(5-fluoropentyl)-1H-indole-3-carboxylate, and geometric isomers, salts, and salts of isomers (Other names: NM2201);
- (25) N-(1-amino-3,3-dimethyl-1-oxobutan-2-yl)-1-(cyclohexylmethyl)-1H-indazole-3-carboxamide, and geometric isomers, salts, and salts of isomers (Other names: MAB-CHMINACA and ADB-CHMINACA); ~~[and]~~
- (26) Methyl 2-[1-(5-fluoropentyl)-1H-indazole-3-carboxamido]-3,3-dimethylbutanoate (Other names: 5F-ADB, 5-flouro-ADB, and 5F-MDMB-PINACA), its optical, positional, and geometric isomers, salts, and salts of isomers~~[-]; and~~
- (27) 1-(4-cyanobutyl)-N-(2-phenylpropan-2-yl)indazole-3-carboxamide (CUMYL-4CN-BINACA), its optical, positional, and geometric isomers, salts, and salts of isomers; also known as SGT-78, 4-CN-CUMYL-BINACA; CUMYL-CB-PINACA; CUMYL-CYBINACA; 4-cyano CUMYL-BUTINACA.”

SECTION 2. Section 329-16, Hawaii Revised Statutes, is amended by amending subsection (g) to read as follows:

“(g) Hallucinogenic substances, unless listed in another schedule, shall include:

- (1) Nabilone~~[-]; and~~
- (2) Dronabinol (-)-delta-9-trans tetrahydrocannabinol in an oral solution in a drug product approved for marketing by the United States Food and Drug Administration.”

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect upon its approval.

(Approved July 10, 2018.)

ACT 191

S.B. NO. 2099

A Bill for an Act Relating to Transportation.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 286-71, Hawaii Revised Statutes, is amended as follows:

1. By amending its title to read:

“~~[[§286-71 Autocycles]; registration; occupants; disclosure requirements].]]”~~

2. By amending subsection (b) to read:

“(b) No person shall operate an autocycle on a public street, road, or highway in this State unless the person possesses a valid type 3 driver’s license pursuant to section ~~[286-102(b)(2)]~~ 286-102(b)(3) and the autocycle has been duly registered pursuant to subsection (a).”

SECTION 2. Section 286-102, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

“(b) A person operating the following category or combination of categories of motor vehicles shall be examined as provided in section 286-108 and duly licensed by the examiner of drivers:

- (1) Mopeds;
- (2) Motorcycles, except for autocycles as described in paragraph (2) of the definition of “motorcycle” in section 286-2, and motor scooters;
- (3) Passenger cars of any gross vehicle weight rating, buses designed to transport fifteen or fewer occupants, ~~and~~ trucks and vans having a gross vehicle weight rating of eighteen thousand pounds or less~~;~~, and autocycles as described in paragraph (2) of the definition of “motorcycle” in section 286-2; and
- (4) All of the motor vehicles in category (3) and any vehicle that is not a commercial motor vehicle.

A school bus or van operator shall be properly licensed to operate the category of vehicles that the operator operates as a school bus or van and shall comply with the standards of the department of transportation as provided by rules adopted pursuant to section 286-181.”

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect upon its approval.

(Approved July 10, 2018.)

ACT 192

H.B. NO. 1520

A Bill for an Act Relating to Insurance.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Chapter 431, Hawaii Revised Statutes, is amended by adding a new section to part VI of article 10A to be appropriately designated and to read as follows:

“§431:10A- Short-term, limited-duration health insurance. (a) No insurer shall issue, renew, or re-enroll an individual in a short-term, limited-duration health insurance policy or contract if the individual was eligible to purchase health insurance through the federal health insurance marketplace during an open enrollment period, as provided by title 45 Code of Federal Regulations section 155.410, or a special enrollment period, as provided by title 45 Code of Federal Regulations section 155.420, in the previous calendar year; provided that any short-term, limited-duration health insurance coverage policy or contract that is delivered or issued for delivery in the State shall have an expiration date in the contract that is less than ninety-one days.

(b) For the purposes of this section:

“Renew or re-enroll” means the issuance of the same or a new short-term, limited-duration health insurance policy or contract to an individual who has been covered by a short-term, limited-duration health insurance policy or contract at any time within the previous calendar year.

“Short-term, limited-duration health insurance” means health insurance coverage provided to an individual under a policy or contract offered by a li-

censed insurer, regardless of the situs of the delivery of the policy or contract, that has a specified, short-term limited duration of less than ninety-one days and does not meet all of the requirements otherwise applicable to individual health insurance.”

SECTION 2. Section 431:10A-102.5, Hawaii Revised Statutes, is amended to read as follows:

“**§431:10A-102.5 Limited benefit health insurance.** (a) Except as provided in subsection (b) or elsewhere in this article, when used in this article, the terms “accident insurance”, “health insurance”, or “sickness insurance” shall not include an accident-only^[5]; specified disease^[5]; hospital indemnity^[5]; long-term care^[5]; disability^[5]; dental^[5]; vision^[5]; medicare supplement^[5]; short-term, limited-duration health insurance; or other limited benefit health insurance contract that pays benefits directly to the insured or the insured’s assigns and in which the amount of the benefit paid is not based upon the actual costs incurred by the insured.

(b) When used in sections 431:10A-104, 431:10A-105, 431:10A-106, 431:10A-107, 431:10A-108, 431:10A-109, 431:10A-110, 431:10A-111, 431:10A-112, 431:10A-113, 431:10A-114, 431:10A-117, 431:10A-118, 431:10A-601, 431:10A-602, 431:10A-603, and 431:10A-604, except as otherwise provided, the terms “accident insurance”, “accident and health or sickness insurance”, “health insurance”, or “sickness insurance” shall include an accident-only^[5]; specified disease^[5]; hospital indemnity^[5]; long-term care^[5]; disability^[5]; dental^[5]; vision^[5]; medicare supplement^[5]; short-term, limited-duration health insurance; or other limited benefit health insurance contract regardless of the manner in which benefits are paid; provided that if any of the requirements set forth in the foregoing sections as applied to long-term care insurance conflict with the provisions of article 10H, the provisions of article 10H shall govern and control.”

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.¹

SECTION 4. This Act shall take effect upon its approval.

(Approved July 10, 2018.)

Note

1. Edited pursuant to HRS §23G-16.5.

ACT 193

H.B. NO. 1626

A Bill for an Act Relating to Cemeteries.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that Sunset Memorial Park in Pearl City, Oahu, has been neglected for years and has been the focal point of numerous complaints by people who have family members buried there. The cemetery has been described as having a damaged mausoleum, sinking graves, and broken, missing, or obscured grave markers that are hidden by overgrown vegetation.

Since the death of its previous owner, Sunset Memorial Park has had no registered owner on record. Volunteers have tried to maintain the cemetery, but have reluctantly stopped because of state liability issues.

The dilapidated, unsightly state of Sunset Memorial Park is of great concern for the families whose loved ones are buried there and for the surrounding community. The park has fallen into such disrepair that public safety and health are at issue. A viable solution to this problem is long overdue.

Attempts to have the State add Sunset Memorial Park to its list of four currently state-owned cemeteries in Aiea, Kapalama, Alewa Heights, and Maki-ki are ongoing. The last time the State took over a cemetery was in 1946.

It has been reported that the department of commerce and consumer affairs is actively looking for a long-term solution for Sunset Memorial Park and is considering all options.

The purpose of this Act is to:

- (1) Limit liability for volunteers and nonprofit organizations, nonprofit corporations, or other entities that provide volunteers, who maintain or repair cemetery grounds; and
- (2) Require the director of commerce and consumer affairs, in consultation with the comptroller, to develop strategies for the upkeep, repair, and maintenance of Sunset Memorial Park.

SECTION 2. Chapter 662D, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

“§662D- Limited liability for maintaining or repairing cemetery grounds. (a) An individual volunteer who maintains or repairs cemetery grounds located in the State without compensation, including cemeteries operated for profit pursuant to chapter 441, shall not be liable to any person for injury or damage sustained as a result of the actions of the volunteer to maintain or repair the cemetery grounds, except for injury or damages resulting from gross negligence or intentional misconduct.

(b) A nonprofit organization, nonprofit corporation, or other entity that provides volunteers to maintain or repair cemetery grounds located in the State, including cemeteries operated for profit pursuant to chapter 441, shall not be liable to any person for injury or damages sustained as a result of the actions of a volunteer provided by the organization, corporation, or entity to maintain or repair the cemetery grounds, except for injury or damages resulting from gross negligence or intentional misconduct.

(c) This section does not relieve any cemetery property owner or cemetery authority from compliance with chapter 441, or from the duty to maintain their premises in a reasonably safe condition.

(d) A volunteer providing services under this section for a nonprofit organization, nonprofit corporation, or other entity may only receive reimbursement for actual expenses incurred that have been authorized for payment by the nonprofit organization, nonprofit corporation, or other entity.

(e) Nothing in this section shall be construed to authorize or permit the use of perpetual care funds for the purposes of reimbursing costs incurred pursuant to this section.

(f) Notwithstanding any other law to the contrary, actions of a volunteer in conformance with this section shall not require licensure under chapter 441; provided that maintenance and repair activities covered under this section shall be limited to general maintenance, care, and preservation of cemeteries, including keeping sod or grass in repair and caring for trees and shrubs, but shall not include activities related to burials.

(g) For purposes of this section, a volunteer may provide maintenance and repair services as an individual and not as a member or affiliate of a cemetery authority, nonprofit corporation, nonprofit organization, or other entity, if the volunteer:

- (1) First obtains written approval from the cemetery owner or cemetery authority, if one can be identified; and
- (2) Does not receive compensation or reimbursement for any expenses other than actual expenses incurred for maintenance and repair of the cemetery grounds.”

SECTION 3. (a) The director of commerce and consumer affairs, in consultation with the comptroller, shall develop short-term and long-term strategies for the upkeep, repair, and maintenance of Sunset Memorial Park in Pearl City, Oahu.

(b) The director of commerce and consumer affairs shall report findings and recommendations related to activities conducted pursuant to this section, including any proposed legislation, to the legislature no later than twenty days prior to the convening of the regular session of 2019.

SECTION 4. New statutory material is underscored.¹

SECTION 5. This Act shall take effect on July 1, 2018.

(Approved July 10, 2018.)

Note

1. Edited pursuant to HRS §23G-16.5.

ACT 194

H.B. NO. 1869

A Bill for an Act Relating to the Landlord Tenant Code.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that in the typical residential real estate transaction, buyers take occupancy and control of the property upon closing of escrow and the transfer of title from the seller to the buyer. In some instances, the buyer takes early occupancy of the property through mutually agreeable early occupancy terms. These occupancies are excluded from the landlord-tenant code.

Occasionally, however, a seller may improperly maintain occupancy after closing of escrow, or refuse to vacate the property. In such situations, the buyer can suffer significant inconvenience and even monetary damages. In the event a seller remains in possession of the property without a legal right, such as a written lease between the seller and the new owner, the law should be clear that no landlord-tenant relationship has been created by the seller’s wrongful occupancy.

The purpose of this Act is to provide a specific exemption to the landlord-tenant code for instances in which a seller of residential real property continues to occupy that property after the transfer of the seller’s ownership rights.

SECTION 2. Section 521-7, Hawaii Revised Statutes, is amended to read as follows:

“§521-7 Exclusions from application of chapter. Unless created solely to avoid the application of this chapter, this chapter shall not apply to:

- (1) Residence at an institution, whether public or private, where residence is merely incidental to detention or the provision of medical, geriatric, educational, religious, or similar services;
- (2) Residence in a structure directly controlled and managed by:
 - (A) The University of Hawaii or any other university or college in the State for housing its own students or faculty or residence in a structure erected on land leased from the university or college by a nonprofit corporation for the exclusive purpose of housing students or faculty of the college or university; or
 - (B) A private dorm management company that offers a minimum of fifty beds to students of any college, university, or other institution of higher education in the State;
- (3) Occupancy under a bona fide contract of sale of the dwelling unit or the property of which it is a part where the tenant is, or succeeds to the interest of, the purchaser;
- (4) Residence by a member of a fraternal organization in a structure operated without profit for the benefit of the organization;
- (5) Transient occupancy on a day-to-day basis in a hotel or motel;
- (6) Occupancy by an employee of the owner or landlord whose right to occupancy is conditional upon that employment or by a pensioner of the owner or landlord or occupancy for a period of up to four years subsequent thereto, pursuant to a plan for the transfer of the dwelling unit or the property of which it is a part to the occupant;
- (7) A lease of improved residential land for a term of fifteen years or more, measured from the date of the commencement of the lease;
- (8) Occupancy by the prospective purchaser after an accepted offer to purchase and prior to the actual transfer of the owner’s rights;
- (9) Occupancy by the seller of residential real property after the transfer of the seller’s ownership rights;
- ~~(9)~~ (10) Occupancy in a homeless facility or any other program for the homeless authorized under part XVII of chapter 346;
- ~~(10)~~ (11) Residence or occupancy in a public housing project or complex directly controlled, owned, or managed by the Hawaii public housing authority pursuant to the federal low rent public housing program;
- ~~(11)~~ (12) Residence or occupancy in a transitional facility for abused family or household members; or
- ~~(12)~~ (13) Residence or occupancy in a structure or on a property directly controlled, owned, or managed by the Hawaii public housing authority.”

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect on November 1, 2018.

(Approved July 10, 2018.)

ACT 195

H.B. NO. 1873

A Bill for an Act Relating to Condominiums.

Be It Enacted by the Legislature of the State of Hawaii:

PART I

SECTION 1. The legislature finds that it is important to have clear and effective rules related to association foreclosures on condominiums, including which actions successfully cure a default. The legislature further finds that a condominium owner and an association agreeing to a payment plan is not sufficient to cure a default. Rather, agreeing to a payment plan and paying the delinquency in full is required for a unit owner to cure a nonjudicial foreclosure on a condominium.

The legislature further finds that existing law requires condominium owners to pay all assessments claimed by an association first, prior to initiating a dispute over assessments. The legislature additionally finds that preserving this pay first, dispute later provision as it applies to common expense assessments is important. However, encouraging the use of mediation for all other penalties or fines, late fees, lien filing fees, or other charges in an assessment will be beneficial to condominium owners and associations.

Accordingly, the purpose of this Act is to:

- (1) Clarify that an association does not have to rescind the notice of default and intention to foreclose or restart the foreclosure by filing a new notice of default and intent to foreclose if a unit owner defaults on a payment plan to cure a nonjudicial foreclosure agreed to by the parties;
- (2) Specify that if a unit owner and an association have agreed on a payment plan to prevent a nonjudicial foreclosure from proceeding, any association fines imposed while the payment plan is in effect shall not be deemed a default under the payment plan;
- (3) Clarify the obligations of a unit owner and an association while a unit owner is not otherwise in default under a payment plan;
- (4) Clarify that the pay first, dispute later provisions in Hawaii's condominium law apply only to common expense assessments claimed by an association;
- (5) Specify that a unit owner who disputes the amount of an assessment may request a written statement about the assessment from the association, including that a unit owner may demand mediation prior to paying contested charges, other than common expense assessments; and
- (6) Specify requirements for mediation on contested charges, except for common expense assessments.

PART II

SECTION 2. Section 667-94, Hawaii Revised Statutes, is amended to read as follows:

“~~[[§667-94]]~~ **Cure of default.** (a) If the default is cured as required by the notice of default and intention to foreclose~~], or if the parties have agreed on a payment plan],~~ the association shall rescind the notice of default and intention to foreclose. If, pursuant to section 667-92(c), the parties agree on a payment

plan to cure the default, the notice of default and intention to foreclose shall be put on hold until the payment plan is completed. Within fourteen days of the date of the cure or an agreement on a payment plan, the association shall so notify any person who was served with the notice of default and intention to foreclose. If the default is cured, or the payment plan is completed according to its terms, and the notice of default and intention to foreclose was recorded, a release of the notice of default and intention to foreclose shall be recorded.

(b) If the default is not cured as required by the notice of default and intention to foreclose, ~~[or]~~ the parties have not agreed on a payment plan, or the parties have agreed on a payment plan but a default occurs under the payment plan, the association, without filing a court action and without going to court, may foreclose the association's lien under power of sale to sell the unit at a public sale.

(c) If the parties have agreed on a payment plan to prevent a foreclosure from proceeding, any unpaid fines the association imposes on the unit owner while the payment plan is in effect shall not be deemed a default under the payment plan. As long as the unit owner is not otherwise in default under the payment plan, the:

- (1) Association shall notify the unit owner in writing of the right to mediation;
- (2) Fines and any attorneys' fees incurred with respect to such fines shall not be deducted from the unit owner's payments pursuant to the payment plan; and
- (3) Parties shall attempt to resolve a dispute over fines and attorneys' fees, if any, through mediation, within thirty days of the association's written notice.

If the unit owner refuses to participate in mediation or defaults under the payment plan, or the parties are unable to resolve the dispute through mediation, the association may then commence foreclosure proceedings."

PART III

SECTION 3. Section 514B-105, Hawaii Revised Statutes, is amended by amending subsection (c) to read as follows:

"(c) No association shall deduct and apply portions of common expense payments received from a unit owner to unpaid late fees, legal fees, fines, and interest (other than amounts remitted by a unit in payment of late fees, legal fees, fines, and interest) ~~[unless the board adopts and distributes to all owners a policy stating that:~~

- (1) ~~Failure to pay late fees, legal fees, fines, and interest may result in the deduction of such late fees, legal fees, fines, and interest from future common expense payments, so long as a delinquency continues to exist; and~~
- (2) ~~Late fees may be imposed against any future common expense payment that is less than the full amount owed due to the deduction of unpaid late fees, legal fees, fines, and interest from the payment]."~~

SECTION 4. Section 514B-146, Hawaii Revised Statutes, is amended to read as follows:

"**§514B-146 Association fiscal matters; lien for assessments.** (a) All sums assessed by the association but unpaid for the share of the common expenses chargeable to any unit shall constitute a lien on the unit with priority over all other liens, except:

- (1) Liens for real property taxes and assessments lawfully imposed by governmental authority against the unit; and
- (2) Except as provided in subsection [(g);] (j), all sums unpaid on any mortgage of record that was recorded prior to the recordation of a notice of a lien by the association, and costs and expenses including attorneys' fees provided in such mortgages;

provided that a lien recorded by an association for unpaid assessments shall expire six years from the date of recordation unless proceedings to enforce the lien are instituted prior to the expiration of the lien; provided further that the expiration of a recorded lien shall in no way affect the association's automatic lien that arises pursuant to this subsection or the declaration or bylaws. Any proceedings to enforce an association's lien for any assessment shall be instituted within six years after the assessment became due; provided that if the owner of a unit subject to a lien of the association files a petition for relief under the United States Bankruptcy Code (11 U.S.C. §101 et seq.), the period of time for instituting proceedings to enforce the association's lien shall be tolled until thirty days after the automatic stay of proceedings under section 362 of the United States Bankruptcy Code (11 U.S.C. §362) is lifted.

The lien of the association may be foreclosed by action or by nonjudicial or power of sale foreclosure procedures set forth in chapter 667, by the managing agent or board, acting on behalf of the association and in the name of the association; provided that no association may exercise the nonjudicial or power of sale remedies provided in chapter 667 to foreclose a lien against any unit that arises solely from fines, penalties, legal fees, or late fees, and the foreclosure of any such lien shall be filed in court pursuant to part 1A of chapter 667.

In any such foreclosure, the unit owner shall be required to pay a reasonable rental for the unit, if so provided in the bylaws or the law, and the plaintiff in the foreclosure shall be entitled to the appointment of a receiver to collect the rental owed by the unit owner or any tenant of the unit. If the association is the plaintiff, it may request that its managing agent be appointed as receiver to collect the rent from the tenant. The managing agent or board, acting on behalf of the association and in the name of the association, unless prohibited by the declaration, may bid on the unit at foreclosure sale, and acquire and hold, lease, mortgage, and convey the unit. Action to recover a money judgment for unpaid common expenses shall be maintainable without foreclosing or waiving the lien securing the unpaid common expenses owed.

(b) Except as provided in subsection [(g);] (j), when the mortgagee of a mortgage of record or other purchaser of a unit obtains title to the unit as a result of foreclosure of the mortgage, the acquirer of title and the acquirer's successors and assigns shall not be liable for the share of the common expenses or assessments by the association chargeable to the unit that became due prior to the acquisition of title to the unit by the acquirer. The unpaid share of common expenses or assessments shall be deemed to be common expenses collectible from all of the unit owners, including the acquirer and the acquirer's successors and assigns. The mortgagee of record or other purchaser of the unit shall be deemed to acquire title and shall be required to pay the unit's share of common expenses and assessments beginning:

- (1) Thirty-six days after the order confirming the sale to the purchaser has been filed with the court;
- (2) Sixty days after the hearing at which the court grants the motion to confirm the sale to the purchaser;
- (3) Thirty days after the public sale in a nonjudicial power of sale foreclosure conducted pursuant to chapter 667; or
- (4) Upon the recording of the instrument of conveyance;

whichever occurs first; provided that the mortgagee of record or other purchaser of the unit shall not be deemed to acquire title under paragraph (1), (2), or (3), if transfer of title is delayed past the thirty-six days specified in paragraph (1), the sixty days specified in paragraph (2), or the thirty days specified in paragraph (3), when a person who appears at the hearing on the motion or a party to the foreclosure action requests reconsideration of the motion or order to confirm sale, objects to the form of the proposed order to confirm sale, appeals the decision of the court to grant the motion to confirm sale, or the debtor or mortgagor declares bankruptcy or is involuntarily placed into bankruptcy. In any such case, the mortgagee of record or other purchaser of the unit shall be deemed to acquire title upon recordation of the instrument of conveyance.

(c) ~~[No unit owner shall withhold any assessment claimed by the association.]~~ A unit owner who receives a demand for payment from an association and disputes the amount of an assessment may request a written statement clearly indicating:

- (1) The amount of common expenses included in the assessment, including the due date of each amount claimed;
- (2) The amount of any penalty~~;~~ or fine, late fee, lien filing fee, and any other charge included in the assessment; that is not imposed on all unit owners as a common expense; and
- (3) The amount of attorneys' fees and costs, if any, included in the assessment~~;~~.

(d) A unit owner who disputes the information in the written statement received from the association pursuant to subsection (c) may request a subsequent written statement that additionally informs the unit owner that:

- ~~[(4) That under]~~ (1) Under Hawaii law, a unit owner has no right to withhold common expense assessments for any reason;
- ~~[(5) That a]~~ (2) A unit owner has a right to demand mediation or arbitration to resolve disputes about the amount or validity of an association's common expense assessment~~;~~; provided that the unit owner immediately pays the common expense assessment in full and keeps common expense assessments current; ~~and~~
- ~~[(6) That payment]~~ (3) Payment in full of the common expense assessment ~~[does]~~ shall not prevent the owner from contesting the common expense assessment or receiving a refund of amounts not owed~~;~~; and
- (4) If the unit owner contests any penalty or fine, late fee, lien filing fee, or other charges included in the assessment, except common expense assessments, the unit owner may demand mediation as provided in subsection (g) prior to paying those charges.

(e) No unit owner shall withhold any common expense assessment claimed by the association. Nothing in this section shall limit the rights of an owner to the protection of all fair debt collection procedures mandated under federal and state law.

~~[(d)]~~ (f) A unit owner who pays an association the full amount of the common expenses claimed by the association may file in small claims court or require the association to mediate to resolve any disputes concerning the amount or validity of the association's common expense claim. If the unit owner and the association are unable to resolve the dispute through mediation, either party may file for arbitration under section 514B-162; provided that a unit owner may only file for arbitration if all amounts claimed by the association as common expenses are paid in full on or before the date of filing. If the unit owner fails to keep all association common expense assessments current during the arbitration, the association may ask the arbitrator to temporarily suspend the arbitration proceed-

ings. If the unit owner pays all association common expense assessments within thirty days of the date of suspension, the unit owner may ask the arbitrator to recommence the arbitration proceedings. If the unit owner fails to pay all association common expense assessments by the end of the thirty-day period, the association may ask the arbitrator to dismiss the arbitration proceedings. The unit owner shall be entitled to a refund of any amounts paid as common expenses to the association [~~which~~] that are not owed.

(g) A unit owner who contests the amount of any attorneys' fees and costs, penalties or fines, late fees, lien filing fees, or any other charges, except common expense assessments, may make a demand in writing for mediation on the validity of those charges. The unit owner has thirty days from the date of the written statement requested pursuant to subsection (d) to file demand for mediation on the disputed charges, other than common expense assessments. If the unit owner fails to file for mediation within thirty days of the date of the written statement requested pursuant to subsection (d), the association may proceed with collection of the charges. If the unit owner makes a request for mediation within thirty days, the association shall be prohibited from attempting to collect any of the disputed charges until the association has participated in the mediation. The mediation shall be completed within sixty days of the unit owner's request for mediation; provided that if the mediation is not completed within sixty days or the parties are unable to resolve the dispute by mediation, the association may proceed with collection of all amounts due from the unit owner for attorneys' fees and costs, penalties or fines, late fees, lien filing fees, or any other charge that is not imposed on all unit owners as a common expense.

~~(e)~~ (h) In conjunction with or as an alternative to foreclosure proceedings under subsection (a), where a unit is owner-occupied, the association may authorize its managing agent or board to, after sixty days' written notice to the unit owner and to the unit's first mortgagee of the nonpayment of the unit's share of the common expenses, terminate the delinquent unit's access to the common elements and cease supplying a delinquent unit with any and all services normally supplied or paid for by the association. Any terminated services and privileges shall be restored upon payment of all delinquent assessments but need not be restored until payment in full is received.

(f) (i) Before the board or managing agent may take the actions permitted under subsection [~~(e)~~] (h), the board shall adopt a written policy providing for such actions and have the policy approved by a majority vote of the unit owners at an annual or special meeting of the association or by the written consent of a majority of the unit owners.

~~(g)~~ (j) Subject to this subsection, and subsections [~~(h)~~] (k) and [~~(i)~~] (l), the board may specially assess the amount of the unpaid regular monthly common assessments for common expenses against a mortgagee or other purchaser who, in a judicial or nonjudicial power of sale foreclosure, purchases a delinquent unit; provided that the mortgagee or other purchaser may require the association to provide at no charge a notice of the association's intent to claim lien against the delinquent unit for the amount of the special assessment, prior to the subsequent purchaser's acquisition of title to the delinquent unit. The notice shall state the amount of the special assessment, how that amount was calculated, and the legal description of the unit.

~~(h)~~ (k) The amount of the special assessment assessed under subsection [~~(g)~~] (j) shall not exceed the total amount of unpaid regular monthly common assessments that were assessed during the six months immediately preceding the completion of the judicial or nonjudicial power of sale foreclosure.

(i) (l) For purposes of subsections [~~(g)~~] (j) and [~~(h)~~] (k), the following definitions shall apply, unless the context requires otherwise:

“Completion” means:

- (1) In a nonjudicial power of sale foreclosure, when the affidavit after public sale is recorded pursuant to section 667-33; and
- (2) In a judicial foreclosure, when a purchaser is deemed to acquire title pursuant to subsection (b).

“Regular monthly common assessments” does not include:

- (1) Any other special assessment, except for a special assessment imposed on all units as part of a budget adopted pursuant to section 514B-148;
- (2) Late charges, fines, or penalties;
- (3) Interest assessed by the association;
- (4) Any lien arising out of the assessment; or
- (5) Any fees or costs related to the collection or enforcement of the assessment, including attorneys’ fees and court costs.

~~(j)~~ (m) The cost of a release of any lien filed pursuant to this section shall be paid by the party requesting the release.

~~(k)~~ (n) After any judicial or nonjudicial foreclosure proceeding in which the association acquires title to the unit, any excess rental income received by the association from the unit shall be paid to existing lien holders based on the priority of lien, and not on a pro rata basis, and shall be applied to the benefit of the unit owner. For purposes of this subsection, excess rental income shall be any net income received by the association after a court has issued a final judgment determining the priority of a senior mortgagee and after paying, crediting, or reimbursing the association or a third party for:

- (1) The lien for delinquent assessments pursuant to subsections (a) and (b);
- (2) Any maintenance fee delinquency against the unit;
- (3) Attorney’s fees and other collection costs related to the association’s foreclosure of the unit; or
- (4) Any costs incurred by the association for the rental, repair, maintenance, or rehabilitation of the unit while the association is in possession of the unit including monthly association maintenance fees, management fees, real estate commissions, cleaning and repair expenses for the unit, and general excise taxes paid on rental income;

provided that the lien for delinquent assessments under paragraph (1) shall be paid, credited, or reimbursed first.”

PART IV

SECTION 5. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 6. This Act shall take effect on July 1, 2018, and shall be repealed on June 30, 2020; provided that sections 514B-105, 514B-146, and 667-94, Hawaii Revised Statutes, shall be reenacted in the form in which they read on the day before the effective date of this Act.

(Approved July 10, 2018.)

ACT 196

H.B. NO. 1874

A Bill for an Act Relating to Condominiums.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that mediation is an existing and appropriate method of alternative dispute resolution to address condominium related disputes. While the courts are available to resolve conflicts, condominium law should provide incentives for the meaningful use of alternative dispute resolution mechanisms. Thus, the legislature further finds that clarifying the conditions that mandate mediation and exceptions to mandatory mediation is appropriate. The legislature notes that the mandatory mediation proposed by this Act is intended to require parties to resolve condominium related disputes through the use of alternative dispute resolution.

The legislature also finds that authorizing the condominium education trust fund, which is currently dedicated to supporting mediation, to also be used for voluntary binding arbitration will further encourage the use of alternative dispute resolution for condominium related disputes.

Accordingly, the purpose of this Act is to:

- (1) Expand the scope of the condominium education trust fund to cover voluntary binding arbitration between interested parties; and
- (2) Amend the conditions that mandate mediation and exceptions to mandatory mediation.

SECTION 2. Chapter 514B, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

“§514B- Voluntary binding arbitration. (a) Any parties permitted to mediate condominium related disputes pursuant to section 514B-161 may agree to enter into voluntary binding arbitration, which may be supported with funds from the condominium education trust fund pursuant to section 514B-71; provided that voluntary binding arbitration under this section may be supported with funds from the condominium education trust fund only after the parties have first attempted evaluative mediation.

(b) Any voluntary binding arbitration entered into pursuant to this section and supported with funds from the condominium education trust fund:

- (1) Shall include a fee of \$175 to be paid by each party to the arbitrator;
- (2) Shall receive no more from the fund than is appropriate under the circumstances, and in no event more than \$6,000 total; and
- (3) May include issues and parties in addition to those identified in subsection (a); provided that a unit owner or a developer and board are parties to the arbitration at all times and the unit owner or developer and the board mutually consent in writing to the addition of the issues and parties.”

SECTION 3. Section 514B-71, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

“(a) The commission shall establish a condominium education trust fund that the commission shall use for educational purposes. Educational purposes shall include financing or promoting:

- (1) Education and research in the field of condominium management, condominium project registration, and real estate, for the benefit of the public and those required to be registered under this chapter;

- (2) The improvement and more efficient administration of associations;
- (3) Expeditious and inexpensive procedures for resolving association disputes; ~~[and]~~
- (4) Support for mediation of condominium related disputes~~[-]; and~~
- (5) Support for voluntary binding arbitration between parties in condominium related disputes, pursuant to section 514B-”

SECTION 4. Section 514B-72, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

“(a) Each project or association with more than five units shall pay to the department of commerce and consumer affairs:

- (1) A condominium education trust fund fee within one year after the recordation of the purchase of the first unit or within thirty days of the association’s first meeting, and thereafter, on or before June 30 of every odd-numbered year, as prescribed by rules adopted pursuant to chapter 91; and
- (2) Beginning with the July 1, 2015, biennium registration, an additional annual condominium education trust fund fee in an amount equal to the product of \$1.50 times the number of condominium units included in the registered project or association to be dedicated to supporting mediation or voluntary binding arbitration of condominium related disputes. The additional condominium education trust fund fee shall total \$3 per unit until the commission adopts rules pursuant to chapter 91. On June 30 of every odd-numbered year, any unexpended additional amounts paid into the condominium education trust fund and initially dedicated to supporting mediation or voluntary binding arbitration of condominium related disputes, as required by this paragraph, shall be used for educational purposes as provided in section 514B-71(a)(1), (2), and (3).”

SECTION 5. Section 514B-161, Hawaii Revised Statutes, is amended to read as follows:

“§514B-161 Mediation. ~~[(a) If an apartment owner or the board of directors requests mediation of a dispute involving the interpretation or enforcement of the association of apartment owners’ declaration, bylaws, or house rules, the other party in the dispute shall be required to participate in mediation. Each party shall be wholly responsible for its own costs of participating in mediation, unless both parties agree that one party shall pay all or a specified portion of the mediation costs. If a party refuses to participate in the mediation of a particular dispute, a court may take this refusal into consideration when awarding expenses, costs, and attorneys’ fees.~~

~~(b) Nothing in subsection (a) shall be interpreted to mandate the mediation of any dispute involving:~~

- ~~(1) Actions seeking equitable relief involving threatened property damage or the health or safety of association members or any other person;~~
- ~~(2) Actions to collect assessments;~~
- ~~(3) Personal injury claims; or~~
- ~~(4) Actions against an association, a board, or one or more directors, officers, agents, employees, or other persons for amounts in excess of \$2,500 if insurance coverage under a policy of insurance procured by the association or its board would be unavailable for defense or judgment because mediation was pursued.~~

~~(c) If any mediation under this section is not completed within two months from commencement, no further mediation shall be required unless agreed to by the parties.]~~

(a) The mediation of a dispute between a unit owner and the board, unit owner and the managing agent, board members and the board, or directors and managing agents and the board shall be mandatory upon written request to the other party when:

- (1) The dispute involves the interpretation or enforcement of the association's declaration, bylaws, or house rules;
- (2) The dispute falls outside the scope of subsection (b);
- (3) The parties have not already mediated the same or a substantially similar dispute; and
- (4) An action or an arbitration concerning the dispute has not been commenced.

(b) The mediation of a dispute between a unit owner and the board, unit owner and the managing agent, board members and the board, or directors and managing agents and the board shall not be mandatory when the dispute involves:

- (1) Threatened property damage or the health or safety of unit owners or any other person;
- (2) Assessments;
- (3) Personal injury claims; or
- (4) Matters that would affect the availability of any coverage pursuant to an insurance policy obtained by or on behalf of an association.

(c) If evaluative mediation is requested in writing by one of the parties pursuant to subsection (a), the other party cannot choose to do facilitative mediation instead, and any attempt to do so shall be treated as a rejection to mediate.

(d) A unit owner or an association may apply to the circuit court in the judicial circuit where the condominium is located for an order compelling mediation only when:

- (1) Mediation of the dispute is mandatory pursuant to subsection (a);
- (2) A written request for mediation has been delivered to and received by the other party; and
- (3) The parties have not agreed to a mediator and a mediation date within forty-five days after a party receives a written request for mediation.

(e) Any application made to the circuit court pursuant to subsection (d) shall be made and heard in a summary manner and in accordance with procedures for the making and hearing of motions. The prevailing party shall be awarded its attorneys' fees and costs in an amount not to exceed \$1,500.

(f) Each party to a mediation shall bear the attorneys' fees, costs, and other expenses of preparing for and participating in mediation incurred by the party, unless otherwise specified in:

- (1) A written agreement providing otherwise that is signed by the parties;
- (2) An order of a court in connection with the final disposition of a claim that was submitted to mediation;
- (3) An award of an arbitrator in connection with the final disposition of a claim that was submitted to mediation; or
- (4) An order of the circuit court in connection with compelled mediation in accordance with subsection (e).

(g) Any individual mediation supported with funds from the condominium education trust fund pursuant to section 514B-71:

- (1) Shall include a fee of \$375 to be paid by each party to the mediator;
- (2) Shall receive no more from the fund than is appropriate under the circumstances, and in no event more than \$3,000 total;
- (3) May include issues and parties in addition to those identified in subsection (a); provided that a unit owner or a developer and board are parties to the mediation at all times and the unit owner or developer and the board mutually consent in writing to the addition of the issues and parties; and
- (4) May include an evaluation by the mediator of any claims presented during the mediation.
- (h) A court or an arbitrator with jurisdiction may consider a timely request to stay any action or proceeding concerning a dispute that would be subject to mediation pursuant to subsection (a) in the absence of the action or proceeding, and refer the matter to mediation; provided that:
 - (1) The court or arbitrator determines that the request is made in good faith and a stay would not be prejudicial to any party; and
 - (2) No stay shall exceed a period of ninety days.”

SECTION 6. Act 187, Session Laws of Hawaii 2013, is amended by amending section 5 to read as follows:

“SECTION 5. The department of commerce and consumer affairs professional and vocational licensing division’s budget ceiling shall be amended to reflect the additional annual condominium education trust fund fee required by section 514B-72(a)(2), Hawaii Revised Statutes, and paid into the condominium education trust fund, established by section 514B-71, Hawaii Revised Statutes. On June 30 of every odd-numbered year, any unexpended additional amounts paid into the condominium education trust fund and initially dedicated to supporting mediation or voluntary binding arbitration, until June 30, 2023, of condominium related disputes, as required by section 514B-72(a)(2), Hawaii Revised Statutes, shall be used for educational purposes as provided in section 514B-71(a)(1), (2), and (3), Hawaii Revised Statutes.”

SECTION 7. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

SECTION 8. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.¹

SECTION 9. This Act shall take effect on January 2, 2019, and, except for section 6, shall be repealed on June 30, 2023; provided that sections 514B-71(a), 514B-72(a), and 514B-161, Hawaii Revised Statutes, shall be reenacted in the form in which they read on January 1, 2019.

(Approved July 10, 2018.)

Note

1. Edited pursuant to HRS §23G-16.5.

ACT 197

H.B. NO. 2145

A Bill for an Act Relating to Medication Synchronization.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that more than twenty-three per cent of Americans currently use three or more prescription medications, while eleven per cent of Americans take five or more medications. According to the most recent data from the federal Centers for Disease Control and Prevention, the costs of treating patients with chronic diseases account for eighty-six per cent of all health care costs in the United States. However, only fifty per cent of those on maintenance medications for chronic diseases adhere to their prescription therapies.

The legislature recognizes that studies have shown that medication adherence is critical to long-term positive patient outcomes, and that prescription medications are important tools that can assist in the management of chronic diseases. However, patients often delay or miss their medication refills due to confusion over when refills are needed for prescriptions.

The legislature further finds that more than fifteen states have passed legislation that enables pharmacies and patients to work together with their practitioners to synchronize the dispensing of medications. Medication synchronization facilitates the coordination of medication refills so that patients who take two or more maintenance medications for chronic conditions can refill their medications on the same schedule. Medication synchronization improves patient health by improving medication adherence rates, minimizing disruptions in treatment, simplifying patient and caregiver routines, streamlining trips to the pharmacy, reducing costs to insurers, promoting efficient workflow in pharmacies, and synchronizing all of a patient's medications for one pickup day every month.

Accordingly, the purpose of this Act is to allow the synchronization of plan participants' medications by requiring health plans, policies, contracts, or agreements that are offered by health insurers, mutual benefit societies, and health maintenance organizations and provide prescription drug benefits to apply prorated daily cost-sharing rates for prescriptions dispensed by network pharmacies for less than a thirty-day supply.

SECTION 2. Chapter 431, Hawaii Revised Statutes, is amended by adding a new section to part VI of article 10A to be appropriately designated and to read as follows:

“§431:10A- Medication synchronization; proration; dispensing fees.

(a) Each individual or group policy of accident and health or sickness insurance that provides prescription drug coverage in the State shall apply a prorated daily cost-sharing rate to prescriptions that are dispensed by a network pharmacy for less than a thirty-day supply for the purpose of medication synchronization; provided that the insured patient requests or agrees to less than a thirty-day supply.

(b) For the purposes of medication synchronization under this section, the insurer that provides prescription drug coverage shall:

- (1) Not deny coverage for the dispensing of a maintenance medication that is dispensed by a network pharmacy on the basis that the dispensed amount is a partial supply and the insured patient requests or agrees to a partial supply; and
- (2) Authorize a network pharmacy to override any denial codes indicating that a prescription is being refilled too soon.

(c) No policy providing prescription drug coverage shall use payment structures incorporating prorated dispensing fees. Dispensing fees for partially filled or refilled prescriptions shall be paid in full for each prescription dispensed, regardless of any prorated copayment for the beneficiary or fee paid for medication synchronization services.

(d) A network pharmacy shall identify an anchor prescription to which all other prescriptions may be subject to medication synchronization; provided that any medication dispensed in an unbreakable package shall not be considered the anchor prescription for purposes of this section.

(e) No schedule II narcotic controlled substance listed in section 329-16 shall be eligible for medication synchronization under this section.

(f) For purposes of this section:

“Medication synchronization” means the coordination of medication refills that are being dispensed by a single contracted pharmacy to an insured patient taking two or more medications for one or more chronic conditions so that the patient’s medications are refilled on the same schedule for a given time period.

“Unbreakable package” means a medication form or package that is to be dispensed in its original container. The term “unbreakable package” includes but is not limited to eye drops, inhalers, creams, and ointments.”

SECTION 3. Chapter 432, Hawaii Revised Statutes, is amended by adding a new section to part VI of article 1 to be appropriately designated and to read as follows:

“§432:1- Medication synchronization; proration; dispensing fees. (a)

Each hospital or medical service plan contract that provides prescription drug coverage in the State shall apply a prorated daily cost-sharing rate to prescriptions that are dispensed by a network pharmacy for less than a thirty-day supply for the purpose of medication synchronization; provided that the member patient requests or agrees to less than a thirty-day supply.

(b) For the purposes of medication synchronization under this section, the mutual benefit society that provides prescription drug coverage shall:

- (1) Not deny coverage for the dispensing of a maintenance medication that is dispensed by a network pharmacy on the basis that the dispensed amount is a partial supply and the member patient requests or agrees to a partial supply; and
- (2) Authorize a network pharmacy to override any denial codes indicating that a prescription is being refilled too soon.

(c) No plan contract providing prescription drug coverage shall use payment structures incorporating prorated dispensing fees. Dispensing fees for partially filled or refilled prescriptions shall be paid in full for each prescription dispensed, regardless of any prorated copayment for the beneficiary or fee paid for medication synchronization services.

(d) A network pharmacy shall identify an anchor prescription to which all other prescriptions may be subject to medication synchronization; provided that any medication dispensed in an unbreakable package shall not be considered the anchor prescription for purposes of this section.

(e) No schedule II narcotic controlled substance listed in section 329-16 shall be eligible for medication synchronization.

(f) For purposes of this section:

“Medication synchronization” means the coordination of medication refills that are being dispensed by a single contracted pharmacy to a member patient taking two or more medications for one or more chronic conditions so

that the patient's medications are refilled on the same schedule for a given time period.

"Unbreakable package" means a medication form or package that is to be dispensed in its original container. The term "unbreakable package" includes but is not limited to eye drops, inhalers, creams, and ointments."

SECTION 4. Chapter 432D, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

"§432D- Medication synchronization; proration; dispensing fees. (a)

Each health maintenance organization policy, contract, plan, or agreement that provides prescription drug coverage in the State shall apply a prorated daily cost-sharing rate to prescriptions that are dispensed by a network pharmacy for less than a thirty-day supply for the purpose of medication synchronization; provided that the enrollee patient requests or agrees to less than a thirty-day supply.

(b) For the purposes of medication synchronization under this section, the health maintenance organization that provides prescription drug coverage shall:

- (1) Not deny coverage for the dispensing of a maintenance medication that is dispensed by a network pharmacy on the basis that the dispensed amount is a partial supply and the enrollee patient requests or agrees to a partial supply; and
- (2) Authorize a network pharmacy to override any denial codes indicating that a prescription is being refilled too soon.

(c) No policy, contract, plan, or agreement providing prescription drug coverage shall use payment structures incorporating prorated dispensing fees. Dispensing fees for partially filled or refilled prescriptions shall be paid in full for each prescription dispensed, regardless of any prorated copayment for the beneficiary or fee paid for medication synchronization services.

(d) A network pharmacy shall identify an anchor prescription to which all other prescriptions may be subject to medication synchronization; provided that any medication dispensed in an unbreakable package shall not be considered the anchor prescription for purposes of this section.

(e) No schedule II narcotic controlled substance listed in section 329-16 shall be eligible for medication synchronization.

(f) For purposes of this section:

"Medication synchronization" means the coordination of medication refills that are being dispensed by a single contracted pharmacy to an enrollee patient taking two or more medications for one or more chronic conditions so that the patient's medications are refilled on the same schedule for a given time period.

"Unbreakable package" means a medication form or package that is to be dispensed in its original container. The term "unbreakable package" includes but is not limited to eye drops, inhalers, creams, and ointments."

SECTION 5. Section 461-1, Hawaii Revised Statutes, is amended by amending the definition of "practice of pharmacy" to read as follows:

"Practice of pharmacy" means:

- (1) The interpretation and evaluation of prescription orders; the compounding, dispensing, and labeling of drugs and devices (except labeling by a manufacturer, packer, or distributor of nonprescription drugs and commercially legend drugs and devices); the participation in drug selection and drug utilization reviews; the proper and safe storage of drugs and devices and the maintenance of proper

records therefor; the responsibility for advising when necessary or where regulated, of therapeutic values, content, hazards, and use of drugs and devices; and the interpretation and evaluation of prescription orders to adjust the supply dispensed for purposes of medication synchronization pursuant to section 431:10A- , 432:1- , or 432D- ;

- (2) Performing the following procedures or functions as part of the care provided by and in concurrence with a "health care facility" and "health care service" as defined in section 323D-2, or a "pharmacy" or a licensed physician or a licensed advanced practice registered nurse with prescriptive authority, or a "managed care plan" as defined in section 432E-1, in accordance with policies, procedures, or protocols developed collaboratively by health professionals, including physicians and surgeons, pharmacists, and registered nurses, and for which a pharmacist has received appropriate training required by these policies, procedures, or protocols:
 - (A) Ordering or performing routine drug therapy related patient assessment procedures;
 - (B) Ordering drug therapy related laboratory tests;
 - (C) Initiating emergency contraception oral drug therapy in accordance with a written collaborative agreement approved by the board, between a licensed physician or advanced practice registered nurse with prescriptive authority and a pharmacist who has received appropriate training that includes programs approved by the American Council of Pharmaceutical Education (ACPE), curriculum-based programs from an ACPE-accredited college of pharmacy, state or local health department programs, or programs recognized by the board of pharmacy;
 - (D) Administering drugs orally, topically, by intranasal delivery, or by injection, pursuant to the order of the patient's licensed physician or advanced practice registered nurse with prescriptive authority, by a pharmacist having appropriate training that includes programs approved by the ACPE, curriculum-based programs from an ACPE-accredited college of pharmacy, state or local health department programs, or programs recognized by the board of pharmacy;
 - (E) Administering:
 - (i) Immunizations orally, by injection, or by intranasal delivery, to persons eighteen years of age or older by a pharmacist having appropriate training that includes programs approved by the ACPE, curriculum-based programs from an ACPE-accredited college of pharmacy, state or local health department programs, or programs recognized by the board of pharmacy;
 - (ii) Vaccines to persons between fourteen and seventeen years of age pursuant to section 461-11.4; and
 - (iii) Human papillomavirus, Tdap (tetanus, diphtheria, pertussis), meningococcal, and influenza vaccines to persons between eleven and seventeen years of age pursuant to section 461-11.4;
 - (F) As authorized by the written instructions of a licensed physician or advanced practice registered nurse with prescriptive authority, initiating or adjusting the drug regimen of a patient pursuant to an order or authorization made by the patient's

- licensed physician or advanced practice registered nurse with prescriptive authority and related to the condition for which the patient has been seen by the licensed physician or advanced practice registered nurse with prescriptive authority; provided that the pharmacist shall issue written notification to the patient's licensed physician or advanced practice registered nurse with prescriptive authority or enter the appropriate information in an electronic patient record system shared by the licensed physician or advanced practice registered nurse with prescriptive authority, within twenty-four hours;
- (G) Transmitting a valid prescription to another pharmacist for the purpose of filling or dispensing;
 - (H) Providing consultation, information, or education to patients and health care professionals based on the pharmacist's training and for which no other licensure is required; or
 - (I) Dispensing an opioid antagonist in accordance with a written collaborative agreement approved by the board, between a licensed physician and a pharmacist who has received appropriate training that includes programs approved by the ACPE, curriculum-based programs from an ACPE-accredited college of pharmacy, state or local health department programs, or programs recognized by the board;
- (3) The offering or performing of those acts, services, operations, or transactions necessary in the conduct, operation, management, and control of pharmacy; and
 - (4) Prescribing and dispensing contraceptive supplies pursuant to section 461-11.6.”

SECTION 6. New statutory material is underscored.¹

SECTION 7. This Act shall take effect on July 1, 2018.

(Approved July 10, 2018.)

Note

- 1. Edited pursuant to HRS §23G-16.5.

ACT 198

H.B. NO. 2149

A Bill for an Act Relating to Dentistry.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 448-8.5, Hawaii Revised Statutes, is amended to read as follows:

“§448-8.5 Continuing education requirements. The board shall adopt a program of continuing education for dentists and a program of continuing education for dental hygienists. After January 1, 2002, at the time of reregistration of license as a dentist or dental hygienist, each licensee shall present to the board evidence of compliance with the program of continuing education applicable to their profession. In addition to any other continuing education requirement adopted by the board, after January 1, 2016, each licensee who is a dentist shall

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present to the board evidence of having completed at least [~~three~~] six hours of ethics training during the previous [~~year~~] two years for each biennial renewal period. Failure to reregister and present evidence of compliance shall constitute a forfeiture of license, which may be restored only upon written application therefor and payment to the board of a restoration fee.”

SECTION 2. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect on July 1, 2018.

(Approved July 10, 2018.)

ACT 199

H.B. NO. 2208

A Bill for an Act Relating to Association Health Plans.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Chapter 431, Hawaii Revised Statutes, is amended by adding a new section to part I of article 10A to be appropriately designated and to read as follows:

“§431:10A- Association health plan policy; compliance with state law.

(a) Every association health plan policy issued in this State shall comply with all laws of this State, regardless of the domicile of the association that has issued the policy.

(b) For the purposes of this section, “association health plan policy” means a policy issued by a voluntary association of employers formed in this State or another state that is authorized to issue association health plans under the regulations of the United States Department of Labor.”

SECTION 2. Chapter 431, Hawaii Revised Statutes, is amended by adding a new section to part II of article 10A to be appropriately designated and to read as follows:

“§431:10A- Association health plan policy; compliance with state law.

(a) Every association health plan policy issued in this State shall comply with all laws of this State, regardless of the domicile of the association that has issued the policy.

(b) For the purposes of this section, “association health plan policy” means a policy issued by a voluntary association of employers formed in this State or another state that is authorized to issue association health plans under the regulations of the United States Department of Labor.”

SECTION 3. Section 431:3-203, Hawaii Revised Statutes, is amended to read as follows:

“§431:3-203 Qualifications for authority. (a) To qualify for and hold a certificate of authority, an insurer [~~must~~] shall:

- (1) Be [a] one of the following:
- (A) A stock, mutual, or reciprocal insurer of the same general type as may be formed as a domestic insurer under article 4;
 - (B) A voluntary unincorporated association formed for the purpose of enabling cooperative action to provide accident and health or sickness insurance, as defined under section 431:1-205, in accordance with this chapter or the laws of any other state that authorizes the issuance of accident and health or sickness insurance of the type authorized under this chapter;
or
 - (C) A voluntary association of employers formed in this State or another state that is authorized to issue association health plans under the regulations of the United States Department of Labor;
- (2) Have capital funds as required by this code based upon the type and domicile of the insurer and the classes of insurance [~~which~~] that the insurer is authorized to transact in its domicile;
- (3) Transact or propose to transact in this State insurances [~~which~~] that are among those authorized by its charter, and only such insurance as meets the standards and requirements of this code; and
- (4) Fully comply with and qualify according to the provisions of this code.
- (b) In addition to the requirements in subsection (a), to qualify for and hold a certificate of authority, foreign and alien insurers must have continuously, actively, and successfully transacted the business of insurance for at least five years immediately prior thereto; provided that [~~it~~]:
- (1) In the case of a reorganization (including a merger, corporate acquisition, or formation of a subsidiary) of a capital stock or mutual insurer, the five-year period shall be computed from the date of the organization of the original or parent insurer or insurers if substantially the same management continues[-]; and
 - (2) This subsection shall not apply to a voluntary association of employers authorized to issue association health plans under the regulations of the United States Department of Labor.”

SECTION 4. Section 431:8-201, Hawaii Revised Statutes, is amended to read as follows:

“§431:8-201 Transacting insurance business without certificate of authority prohibited. It shall be unlawful for any insurer to transact an insurance business in this State, as defined in section 431:1-215, without a certificate of authority; provided that this section shall not apply to:

- (1) The lawful transaction of surplus lines insurance;
- (2) The lawful transaction of reinsurance by insurers;
- (3) Transactions in this State involving a policy lawfully solicited, written, and delivered outside of this State covering only subjects of insurance not resident, located, or expressly to be performed in this State at the time of issuance, and subsequent to the issuance of the policy;
- (4) Attorneys acting in the ordinary relation of attorney and client in the adjustment of claims or losses;
- (5) Transactions in this State involving group life and group accident and health or sickness or blanket accident and health or sickness insurance or group annuities where the master policy of the groups

was lawfully issued in and delivered pursuant to the laws of a state in which the insurer was authorized to do an insurance business; provided that this paragraph shall not apply to transactions of association health plans;

- (6) Transactions in this State involving any policy of insurance or annuity contract issued prior to July 1, 1988;
- (7) Transactions in this State involving ocean marine insurance; and
- (8) Transactions of contracts of insurance for property and casualty multi-state risks; provided that the producer is licensed to sell, solicit, or negotiate that insurance in the home state of the insured.”

SECTION 5. The insurance commissioner shall revise or adopt, as necessary, any forms that may be required for implementation of this Act no later than January 1, 2019.

SECTION 6. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

SECTION 7. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.¹

SECTION 8. This Act shall take effect on July 1, 2018; provided that sections 1 through 4 shall take effect on January 1, 2019.

(Approved July 10, 2018.)

Note

- 1. Edited pursuant to HRS §23G-16.5.

ACT 200

H.B. NO. 2110

A Bill for an Act Relating to Resiliency.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that Hawaii’s residents and businesses are vulnerable to disruptions in the islands’ energy systems caused by extreme weather events or other disasters. In 2017, Puerto Rico was devastated by Hurricane Maria, leaving ninety per cent of the island’s residents without power one month after the storm hit. Puerto Rico is now rebuilding its energy system and incorporating microgrids, or smaller grids with local control capability that can disconnect from the larger electricity grid and operate autonomously.

The legislature finds that the increased use of renewable energy, advanced distributed energy resources, and energy efficiency in Hawaii provides significant economic, health, environmental, and workforce benefits to the State. Microgrids can facilitate the achievement of Hawaii’s clean energy policies by enabling the integration of higher levels of renewable energy and advanced distributed energy resources. Microgrids can also provide valuable services to the public utility electricity grid, including energy storage and demand response, to support load shifting, frequency response, and voltage control, among other ancillary services.

The legislature finds that microgrids can isolate themselves from the larger electricity grid in a time of emergency. By “islanding” and running autonomously, microgrids can provide a building or set of buildings with emergency power for critical medical equipment, refrigeration, and charging critical communications devices. Microgrids can also provide backup power for hospitals and emergency centers. The legislature believes that the use of microgrids would build energy resiliency into our communities, thereby increasing public safety and security.

The legislature finds that while Hawaii is a national leader in developing renewable energy, few microgrids have been developed, as their development has been inhibited by a number of factors, including interconnection barriers and a lack of standard terms regarding the value of services exchanged between the microgrid operator and the utility.

The legislature further finds that without standard terms regarding interconnection and the value of microgrid services, businesses and residents developing microgrids may choose to leave the utility grid altogether, thereby weakening the overall system and increasing costs for other utility customers.

The purpose of this Act is to encourage and facilitate the development and use of microgrids through the establishment of a standard microgrid services tariff.

SECTION 2. Chapter 269, Hawaii Revised Statutes, is amended by adding a new section to part I to be appropriately designated and to read as follows:

“§269- Microgrids. (a) By July 1, 2018, the public utilities commission shall open a proceeding to establish a microgrid services tariff.

(b) Any person or entity may own or operate an eligible microgrid project or projects; provided that the person or entity complies with all applicable statutes, rules, tariffs, and orders governing the ownership and interconnection of the project or projects.

(c) As used in this section:

“Microgrid project” means a group of interconnected loads and distributed energy resources within clearly defined electrical boundaries that acts as a single controllable entity with respect to the utility’s electrical grid and can connect to a public utility’s electrical grid to operate in grid-connected mode and can disconnect from the grid to operate in island mode, and that:

- (1) Is subject to a microgrid services tariff; and
- (2) Generates or produces energy.

“Microgrid services tariff” means a tariff approved by the public utilities commission that:

- (1) Is designed to provide fair compensation for electricity, electric grid services, and other benefits provided to, or by, the electric utility, the person or entity operating the microgrid, and other ratepayers;
- (2) To the extent possible, standardizes and streamlines the related interconnection processes for microgrid projects; and
- (3) Does not apply to a municipal utility cooperative.”

SECTION 3. In establishing a microgrid services tariff, the public utilities commission shall consider the actions taken to establish and deploy microgrids in other jurisdictions, including the actions taken by Puerto Rico following the 2017 Atlantic hurricane season, and the prescriptive steps the State can take to address potential similar local disasters in the future.

ACT 201

SECTION 4. The natural energy laboratory of Hawaii authority is recognized as having the potential to operate a microgrid and may be designated as the first microgrid demonstration project after the establishment of the microgrid services tariff described in section 2.

SECTION 5. New statutory material is underscored.¹

SECTION 6. This Act shall take effect on July 1, 2018.

(Approved July 10, 2018.)

Note

1. Edited pursuant to HRS §23G-16.5.

ACT 201

H.B. NO. 2684

A Bill for an Act Relating to Motor Carriers.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. There is appropriated out of the general revenues of the State of Hawaii the sum of \$200,000 or so much thereof as may be necessary for fiscal year 2018-2019 for the public utilities commission to hire 2.00 full-time equivalent (2.00 FTE) enforcement personnel.

The sum appropriated shall be expended by the public utilities commission for the purposes of this Act.

SECTION 2. This Act shall take effect on July 1, 2018.

(Approved July 10, 2018.)

ACT 202

S.B. NO. 208

A Bill for an Act Relating to Unclaimed Life Insurance Benefits.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Chapter 431, Hawaii Revised Statutes, is amended by adding a new part to article 10D to be appropriately designated and to read as follows:

“PART . UNCLAIMED LIFE INSURANCE BENEFITS ACT

§431:10D-A Short title. This part may be known and cited as the Unclaimed Life Insurance Benefits Act.

§431:10D-B Purpose. The purpose of this part is to require recognition of the escheat or unclaimed property statutes of this State and require the complete and proper disclosure, transparency, and accountability relating to any method of payment for life insurance death benefits regulated by the State’s insurance commissioner.

§431:10D-C Definitions. As used in this part, the following definitions apply:

“Contract” means an annuity contract; provided that the term “contract” shall not include an annuity used to fund an employment-based retirement plan or program where:

- (1) The insurer does not perform the record keeping services; or
- (2) The insurer is not committed by terms of the annuity contract to pay death benefits to the beneficiaries of specific plan participants.

“Death master file” means the United States Social Security Administration’s death master file or any other database or service that is at least as comprehensive as the United States Social Security Administration’s death master file for determining that a person has reportedly died.

“Death master file match” means a search of the death master file that results in a match of the social security number or the name and date of birth of an insured, annuity owner, or retained asset account holder.

“Knowledge of death” means:

- (1) Receipt of an original or valid copy of a certified death certificate; or
- (2) A death master file match validated by the insurer in accordance with section 431:10D-D(a)(1)(A).

“Policy” means any policy or certificate of life insurance that provides a death benefit; provided that the term “policy” shall not include:

- (1) Any policy or certificate of life insurance that provides a death benefit under an employee benefit plan:
 - (A) Subject to the federal Employee Retirement Income Security Act of 1974 (29 U.S.C. 1001, et. seq.), as periodically amended; or
 - (B) Under any federal employee benefit program;
- (2) Any policy or certificate of life insurance that is used to fund a pre-need funeral contract or prearrangement;
- (3) Any policy or certificate of credit life or accidental death insurance; or
- (4) Any policy issued to a group master policyholder for which the insurer does not provide record keeping services.

“Record keeping services” means those circumstances under which the insurer has agreed with a group policy or contract customer to be responsible for obtaining, maintaining, and administering in its own or its agents’ systems information about each individual insured under an insured’s group insurance contract, or a line of coverage thereunder, at least the following information:

- (1) Social security number or name and date of birth;
- (2) Beneficiary designation information;
- (3) Coverage eligibility;
- (4) Benefit amount; and
- (5) Premium payment status.

“Retained asset account” means any mechanism whereby the settlement of proceeds payable under a policy or contract is accomplished by the insurer or an entity acting on behalf of the insurer depositing the proceeds into an account with check or draft writing privileges, where those proceeds are retained by the insurer or its agent, pursuant to a supplementary contract not involving annuity benefits other than death benefits.

§431:10D-D Insurer conduct. (a) An insurer shall perform a comparison of its insureds’ in-force policies, contracts, and retained asset accounts against a death master file, on at least a semi-annual basis, by using the full death master

file once and thereafter using the death master file update files for future comparisons to identify potential matches of its insureds. For those potential matches identified as a result of a death master file match:

- (1) The insurer shall, within ninety days of a death master file match:
 - (A) Complete a good faith effort, which shall be documented by the insurer, to confirm the death of the insured or retained asset account holder against other available records and information;
 - (B) Determine whether benefits are due in accordance with the applicable policy or contract; provided that if benefits are due in accordance with the applicable policy or contract:
 - (i) Use good faith efforts, which shall be documented by the insurer, to locate the beneficiary or beneficiaries; and
 - (ii) Provide the appropriate claims forms or instructions to the beneficiary or beneficiaries to make a claim, including the need to provide an official death certificate, if applicable under the policy or contract;
- (2) With respect to group life insurance, insurers shall confirm the possible death of an insured when the insurers maintain at least the following information of those covered under a policy or certificate:
 - (A) Social security number or name and date of birth;
 - (B) Beneficiary designation information;
 - (C) Coverage eligibility;
 - (D) Benefit amount; and
 - (E) Premium payment status;
- (3) Every insurer shall implement procedures to account for the following:
 - (A) Common nicknames, initials used in lieu of a first or middle name, use of a middle name, compound first and middle names, and interchanged first and middle names;
 - (B) Compound last names, maiden or married names, and hyphens, blank spaces, or apostrophes in last names;
 - (C) Transposition of the month and date portions of the date of birth; and
 - (D) Incomplete social security number;
- (4) To the extent permitted by law, the insurer may disclose minimum necessary personal information about the insured or beneficiary to a person who the insurer reasonably believes may be able to assist the insurer with locating the beneficiary or a person otherwise entitled to payment of the claim proceeds; and
- (5) The insurer comparison of in-force policies, contracts, and retained asset accounts shall be conducted first to the extent that such records are available electronically and then using the most easily accessible insurer records for records that are not available electronically.

Nothing in this subsection shall limit the insurer from requesting a valid death certificate as part of any claims validation process.

(b) An insurer or its service provider shall not charge any beneficiary or other authorized representative for any fees or costs associated with a death master file search or verification of a death master file match conducted pursuant to this section.

(c) The benefits from a policy, contract, or retained asset account, plus any applicable accrued contractual interest, shall first be payable to the designated beneficiaries or owners and in the event said beneficiaries or owners cannot be found, shall escheat to the State as unclaimed property pursuant to chap-

ter 523A. Interest payable under section 431:10-243 shall not be payable as unclaimed property under chapter 523A.

(d) An insurer shall notify the director of finance upon the expiration of the statutory time period for escheat that:

- (1) A policy or contract beneficiary or retained asset account holder has not submitted a claim with the insurer; and
- (2) The insurer has complied with subsection (a) and has been unable, after good faith efforts documented by the insurer, to contact the retained asset account holder, beneficiary, or beneficiaries.

(e) The commissioner may adopt such rules and regulations as may be reasonably necessary to implement the provisions of this section.

(f) The commissioner may, in the commissioner's reasonable discretion, make an order:

- (1) Limiting an insurer's death master file comparisons required under subsection (a) to the insurer's electronic searchable files or approving a plan and timeline for conversion of the insurer's files to electronic searchable files;
- (2) Exempting an insurer from the death master file comparisons required under subsection (a) or permitting an insurer to perform such comparisons less frequently than semi-annually upon a demonstration of hardship by the insurer; or
- (3) Phasing-in compliance with this section according to a plan and timeline approved by the commissioner.

(g) Failure to meet any requirement of this section with such frequency as to constitute a general business practice shall constitute an unfair or deceptive act or practice under article 13. Nothing in this section shall be construed to create or imply a private cause of action for a violation of this section."

SECTION 2. In codifying the new sections added by section 1 of this Act, the revisor of statutes shall substitute appropriate section numbers for the letters used in designating the new sections in this Act.

SECTION 3. This Act shall take effect upon its approval.

(Approved July 10, 2018.)

ACT 203

S.B. NO. 2201

A Bill for an Act Relating to Boards.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that several boards in Hawaii have the word "examiners" in their name although these boards no longer administer examinations. The purpose of this Act is to more accurately reflect the scope and duties of certain boards by removing the word "examiners" from the state board of chiropractic examiners, board of dental examiners, board of examiners in optometry, and board of veterinary examiners.

SECTION 2. Sections 26-9, 442-2, 442-3, 442-11, 442-14, 451D-2, and 663-1.8, Hawaii Revised Statutes, are amended by substituting the term "Hawaii board of chiropractic" wherever the term "state board of chiropractic examiners", "board of chiropractic examiners", or similar term, appears, as the context requires.

SECTION 3. The title of section 442-3, Hawaii Revised Statutes, is amended by substituting the term “Hawaii board of chiropractic” wherever the term “board of examiners” appears, as the context requires.

SECTION 4. Sections 26-9, 423-1, 447-1(a), 447-1.5, 447-2, 447-3, 447-3.5, 447-4, 447-6, 447-7, 448-1.5, 448-2, 448-3, 448-5, 448-7, 448-9.6, 448-11, 448-12, 448-13, 448-16, 448-16.5, 448-22, 448-23, and 451D-2, Hawaii Revised Statutes, are amended by substituting the term “board of dentistry” wherever the term “board of dental examiners” appears, as the context requires.

SECTION 5. The title of section 448-5, Hawaii Revised Statutes, is amended by substituting the term “board of dentistry” wherever the term “board of examiners” appears, as the context requires.

SECTION 6. Sections 26-9, 424-1, 459-1.5, 459-3, 459-5, 459-7(a), 459-9, and 461-15, Hawaii Revised Statutes, are amended by substituting the term “Hawaii board of optometry” wherever the term “board of examiners in optometry” appears, as the context requires.

SECTION 7. The title of section 459-3, Hawaii Revised Statutes, is amended by substituting the term “Hawaii board of optometry” wherever the term “board of examiners” appears, as the context requires.

SECTION 8. Sections 26-9, 451D-2, 471-1, 471-2, 471-3, 471-7, 471-8, 471-9, 471-11, and 471-14, Hawaii Revised Statutes, are amended by substituting the term “Hawaii board of veterinary medicine” wherever the term “board of veterinary examiners” appears, as the context requires.

SECTION 9. The title of section 471-3, Hawaii Revised Statutes, is amended by substituting the term “Hawaii board of veterinary medicine” wherever the term “board of examiners” appears, as the context requires.

SECTION 10. This Act shall take effect on July 1, 2018; provided that the amendments made to section 26-9, Hawaii Revised Statutes, in sections 2, 4, 6, and 8 of this Act shall not be repealed when section 26-9, Hawaii Revised Statutes, is amended by section 5 of Act 181, Session Laws of Hawaii 2017.

(Approved July 10, 2018.)

ACT 204

H.B. NO. 2357

A Bill for an Act Relating to the Hawaii Public Housing Authority.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Chapter 356D, Hawaii Revised Statutes, is amended by adding a new subpart to part III to be appropriately designated and to read as follows:

“Subpart . State Low-Income Housing; Evictions

§356D-A Definitions. As used in this subpart:

“Party” means each person or agency named or admitted as a party or properly seeking and entitled as the right to be admitted as a party in any court or agency proceeding.

“State low-income housing project” means any state low-income public housing project and program or elder or elderly housing owned, managed, administered, or operated by the authority in accordance with sections 356D-44 and 356D-71.

“Tenant” means any person occupying a dwelling accommodation or living quarters in any state low-income housing project, under or by virtue of any tenancy, lease, or rental agreement under or from the authority.

§356D-B Termination and evictions. (a) Except as otherwise provided by law, the authority may terminate any lease, rental agreement, permit, or license covering the use and occupation of any dwelling unit or other premises located within a state low-income housing project and evict from any premises any tenant, licensee, or other occupant for any of the following reasons:

- (1) Failure to pay rent when due;
- (2) Violation of any provision of a lease, rental agreement, permit, or license;
- (3) Violation of any rule of the authority;
- (4) Failure to maintain the dwelling unit in a clean, sanitary, and habitable condition;
- (5) Upon a third violation of section 356D-6.5; provided that a violation of paragraph (2) or (3), or this paragraph by a person who is not a tenant, a guest who is visiting a tenant, or any member of the tenant’s household shall be deemed a violation by the tenant; or
- (6) The existence of any other circumstances giving rise to an immediate right to possession by the authority.

(b) When any lease, rental agreement, permit, or license is subject to termination pursuant to subsection (a), the authority, either directly or through its managing agent, shall provide the tenant with a written notice that shall inform the tenant of any violation, failure, or circumstances giving rise to an immediate right to possession by the authority and, if the tenant has been delinquent in payment of rent, the amount of that delinquency.

§356D-C Hearings. (a) When the authority proposes to terminate a lease, rental agreement, permit, or license and evict a tenant under section 356D-B, a hearing shall be held to determine whether cause exists for the action. The authority shall give written notice to the tenant specifying the reason for the eviction and the date, time, and place of the hearing. The written notice shall further inform the tenant of the right to inspect and copy the tenant’s file at the tenant’s expense before the hearing is held. The written notice shall be given at least five days before the date of the hearing. At the hearing, before final action is taken, the tenant shall be entitled to be heard in person or through counsel, and granted a full and fair hearing in accordance with the requirements of a contested case hearing under sections 91-9 and 91-10 to 91-13. This full and fair hearing shall be deemed to be a contested case hearing before the authority pursuant to chapter 91.

(b) Hearings shall be conducted by an eviction board appointed by the authority. The eviction board shall consist of no fewer than two persons, and no more than three persons, of which one member shall be a tenant. If feasible, the eviction board may conduct hearings using video conferencing technology; provided that these hearings shall be conducted pursuant to chapter 91. The findings, conclusions, decision, and order of the eviction board shall be final unless an appeal is taken pursuant to section 91-14.

(c) The eviction board shall have the same powers with respect to administering oaths, compelling the attendance of witnesses and the production of

documentary evidence, and examining witnesses, as those of the circuit courts. In case of a violation by any person of any order of the eviction board, or of any subpoena issued by the eviction board, or the refusal of any witness to testify to any matter regarding which the witness may lawfully be questioned, a circuit court judge, upon application by the eviction board, may compel compliance with the order or subpoena, or compel testimony.

§356D-D Eviction. (a) If the eviction board finds cause to terminate a lease, rental agreement, permit, or license and evict the tenant, the authority shall provide the tenant with a written notice of the authority's decision to terminate the tenancy. The written notice shall inform the tenant that a writ of possession may be issued by the authority within ten business days. The written notice shall also inform the tenant whether the grounds for eviction are curable and, if so, specify the methods to remedy the grounds, timeframe for completion, and documentation required to prove to the authority that the grounds have been remedied.

(b) When the grounds for termination of the tenancy may be cured by the tenant, the tenant shall have ten business days from receipt of the written notice under subsection (a) to cure the grounds. If the grounds are cured within the ten-day period, no writ of possession shall be issued. If the grounds are not cured within the ten-day period, the authority may issue a writ of possession.

(c) The authority may adopt rules pursuant to chapter 91 to define curable and noncurable grounds for eviction. The authority may consider a tenant's history in determining noncurable grounds for eviction. A tenant's history may include chronic or consistent delinquency, or repeated violations of the terms of the lease, rental agreement, permit, or license.

(d) Enforcement of the order by a writ of possession shall be effected either by a process server appointed by the authority, who shall have all of the powers of a police officer for all actions in connection with the enforcement of the order, or by a sheriff or any other law enforcement officer of the State or any county, whose duty it shall be to carry out the order. The person enforcing the order shall remove all persons from the premises and put the authority in full possession thereof.

(e) Upon eviction, the household goods and personal effects of the tenant against whom the order is entered, and those of any persons using the premises incident to the tenant's holding, may be removed from the premises and stored by the authority. If the action is taken, the authority shall have a lien on the property taken for the expenses incurred by the authority in moving and storing the property, and the authority is authorized to sell or otherwise dispose of the property if unclaimed after thirty days.

§356D-E Ex parte motion. If a tenant cannot be served with an order of eviction or writ of possession, and the authority receives an affidavit or declaration stating this fact, service on the tenant may be made in accordance with a special order of the authority. The order shall require the process server to affix a certified copy of the order of eviction or writ of possession in a conspicuous place upon the premises, such as the door or wall of the dwelling unit.

§356D-F Judicial review. (a) Any tenant aggrieved by a final decision and order of the authority or by a preliminary ruling of the nature that deferral of review pending entry of a subsequent final decision would deprive the appellant of adequate relief is entitled to judicial review thereof under this subpart.

(b) Except as otherwise provided in this section, proceedings for review shall be instituted in the circuit court within thirty days after the preliminary

ruling or within thirty days after service of the certified copy of the final decision and order of the authority pursuant to the rules of the court, except where a statute provides for a direct appeal to the intermediate appellate court. In such cases, the appeal shall be treated in the same manner as an appeal from the circuit court, including payment of the fee prescribed by section 607-5 for filing the notice of appeal. The court in its discretion may permit other interested persons to intervene.

(c) The proceedings for review shall not stay enforcement of the decision of the authority; provided that the authority or the reviewing court may order a stay upon terms as it deems proper.

(d) Within twenty days after the determination of the contents of the record on appeal in the manner provided by the rules of court, or within such further time as the court may allow, the authority shall transmit to the reviewing court the record of the proceeding under review. The court may require or permit subsequent corrections or additions to the record when deemed desirable.

(e) If, before the date set for hearing, application is made to the court for leave to present additional evidence and the evidence is material and good cause exists for the failure to present the evidence in the proceeding before the authority, the court may order the authority to hear the evidence upon the conditions as the court deems proper. The authority may modify its findings, decision, and order by reason of the additional evidence and shall file with the reviewing court, to become a part of the record, the additional evidence, together with any modification of its findings, decision, or order.

(f) The review shall be conducted by the court without a jury and shall be confined to the record. In cases of alleged irregularities in procedure before the authority and not shown in the record, testimony thereon may be taken in court. The court, upon request by any party, may hear oral arguments and receive written briefs.

(g) Upon review of the record, the court may affirm the decision of the authority or remand the case with instructions for further proceedings, or it may reverse or modify the decision and order if the substantial rights of the petitioners may have been prejudiced because the administrative findings, conclusions, decisions, or orders are:

- (1) In violation of constitutional or statutory provisions;
- (2) In excess of the statutory authority or jurisdiction of the authority;
- (3) Made upon unlawful procedure;
- (4) Affected by other error of law;
- (5) Clearly erroneous in view of the reliable, probative, and substantial evidence on the whole record; or
- (6) Arbitrary, capricious, or characterized by abuse of discretion or clearly unwarranted exercise of discretion.

§356D-G Appeals. An aggrieved party may secure a review of any final judgement of the circuit court under this subpart by appeal to the appellate courts, subject to chapter 602. The appeal shall be taken in the manner provided in the rules of court.

§356D-H Rules. The authority may adopt rules pursuant to chapter 91 necessary for the purposes of this subpart.”

SECTION 2. In codifying the new sections added by section 1 of this Act, the revisor of statutes shall substitute appropriate section numbers for the letters used in designating the new sections in this Act.

SECTION 3. This Act shall take effect upon its approval.

(Approved July 10, 2018.)

ACT 205

H.B. NO. 2271

A Bill for an Act Relating to the Practice of Behavior Analysis.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that the State's department of health developmental disabilities division operates the medicaid intellectual and developmental disabilities home and community-based services waiver under the medicaid services section 1915(c) of the Social Security Act (HCBS I/DD waiver). The HCBS I/DD waiver is reviewed and approved by the United States Department of Health and Human Services Centers for Medicare and Medicaid Services and has many requirements to ensure appropriate and efficient provision of services and supports to people with intellectual and developmental disabilities.

For children in the HCBS I/DD waiver who have an autism spectrum disorder, the Centers for Medicare and Medicaid Services has clarified that services for the treatment of autism spectrum disorder must be provided through the child's medicaid health plan through medicaid's early and periodic screening, diagnosis, and treatment benefit. Services cannot be provided under waiver services pursuant to section 1915(c) of the Social Security Act. Therefore, the developmental disabilities division provides behavior analysis services only to adults with behavioral challenges and only in home and community-based settings.

The legislature further finds that the Centers for Medicare and Medicaid Services requires states to provide participant safeguards that ensure the health, safety, and rights of HCBS I/DD waiver participants. The state developmental disabilities division has policies and procedures to ensure that positive behavior supports are used to proactively minimize challenging behaviors, and define and limit the use of restrictive procedures. The developmental disabilities division also conducts oversight for continuous quality assurance to ensure safe and appropriate practices that include a behavior review committee to review quality of care for individuals who need supports to learn new behaviors.

Amending the exemptions for participants in the medicaid intellectual and developmental disabilities waiver will ensure that a qualified workforce can continue to provide necessary behavior interventions while simultaneously facilitating efforts to build an adequate workforce for clients who depend on these services.

The legislature also finds that teachers are critical to ensuring student success. To that end, teachers are encouraged to continue to employ general classroom management techniques in classroom management plans, modifications of content, process, and product. However, a licensed behavior analyst or a licensed psychologist is required to conduct functional behavior assessments and to design and oversee applied behavior analysis services when what the classroom teacher is doing is not resulting in increased learning or improved behavior and the student's behavior impedes their learning or the learning of others. Teachers are not permitted to independently conduct functional behavior assessments, or to design, develop, or independently oversee applied behavior analysis services.

The use of functional behavior assessment is appropriate when the student's behavior impedes learning processes and the school team is considering

the use of a behavior plan or other positive behavior supports. A functional behavior assessment is a results-oriented process that explicitly identifies challenging behaviors and how the behaviors may change across time. At minimum, a functional behavior assessment must result in a summary statement that offers an operational definition of the problem behavior, describe the antecedents and maintaining consequences related to the problem likely to occur.

The purpose of this Act is to:

- (1) Clarify and standardize the terminology used to refer to behavior analysis and the practice of applied behavior analysis;
- (2) Broaden the exemption of certain individuals and licensed or credentialed practitioners practicing within their own recognized scopes of practice from chapter 465D, Hawaii Revised Statutes, the behavior analysts law; and
- (3) Require the department of education to create an implementation plan to seek reimbursement of any medicaid billable applied behavior analysis the department of education may provide to students diagnosed with autism spectrum disorder.

SECTION 2. Section 465-3, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

“(a) This chapter shall not apply to:

- (1) Any person teaching, lecturing, consulting, or engaging in research in psychology insofar as the activities are performed as part of or are dependent upon employment in a college or university; provided that the person shall not engage in the practice of psychology outside the responsibilities of the person’s employment;
- (2) Any person who performs any, or any combination of the professional services defined as the practice of psychology under the direction of a licensed psychologist in accordance with rules adopted by the board; provided that the person may use the term “psychological assistant”, but shall not identify the person’s self as a psychologist or imply that the person is licensed to practice psychology;
- (3) Any person employed by a local, state, or federal government agency in a school psychologist or psychological examiner position, or a position that does not involve diagnostic or treatment services, but only at those times when that person is carrying out the functions of such government employment;
- (4) Any person who is a student of psychology, a psychological intern, or a resident in psychology preparing for the profession of psychology under supervision in a training institution or facility and who is designated by a title as “psychology trainee”, “psychology student”, “psychology intern”, or “psychology resident”, that indicates the person’s training status; provided that the person shall not identify the person’s self as a psychologist or imply that the person is licensed to practice psychology;
- (5) Any person who is a member of another profession licensed under the laws of this jurisdiction to render or advertise services, including psychotherapy, within the scope of practice as defined in the statutes or rules regulating the person’s professional practice; provided that, notwithstanding section 465-1, the person does not represent the person’s self to be a psychologist or does not represent that the person is licensed to practice psychology;
- (6) Any person who is a member of a mental health profession not requiring licensure; provided that the person functions only within

the person's professional capacities; and provided further that the person does not represent the person to be a psychologist, or the person's services as psychological;

- (7) Any person who is a duly recognized member of the clergy; provided that the person functions only within the person's capacities as a member of the clergy; and provided further that the person does not represent the person to be a psychologist, or the person's services as psychological; [øø]
- (8) Any psychologist employed by the United States Department of Defense, while engaged in the discharge of the psychologist's official duty and providing direct telehealth support or services, as defined in section 431:10A-116.3, to neighbor island beneficiaries within a Hawaii National Guard armory on the island of Kauai, Hawaii, Molokai, or Maui; provided that the psychologist employed by the United States Department of Defense is credentialed by Tripler Army Medical Center[-]; or
- (9) Any supervisee of a licensed psychologist as defined in section 465D-7.

SECTION 3. Section 465D-7, Hawaii Revised Statutes, is amended to read as follows:

“§465D-7 Exemptions. (a) This chapter is not intended to restrict the practice of other licensed or credentialed practitioners practicing within their own recognized scopes of practice and shall not apply to:

- ~~[(4) An individual working within the scope of practice or duties of another licensed profession that overlaps with the practice of behavior analysis; provided that the person does not purport to be a behavior analyst;]~~
- (1) A licensed psychologist and any supervisee of the licensed psychologist; provided that applied behavior analysis services performed are within the boundaries of the licensed psychologist's education, training, and competence; provided further that neither the licensed psychologist nor any supervisee of the licensed psychologist purports to be a licensed behavior analyst; and provided further that master's level practitioners and postdoctoral fellows may provide training and supervision to direct support workers, paraprofessionals, caregivers, parents and guardians in a manner and to the extent determined by the supervising licensed psychologist. For purposes of this paragraph, "supervisee" means a master's level practitioner, postdoctoral fellow, direct support worker, paraprofessional, caregiver, parent or guardian who provides applied behavior analysis services;
- (2) A licensed classroom teacher or an individual who is working as a classroom teacher and is enrolled in a teacher preparation program working towards licensure who implements but does not design applied behavior analysis services in a school setting in direct collaboration with a licensed behavior analyst or a licensed psychologist on or before July 1, 2019;
- ~~[(2)]~~ (3) An individual who implements or designs applied behavior analysis services and possesses board certification as an assistant behavior analyst by the Behavior Analyst Certification Board and who practices in accordance with the most recent supervisory and ethical requirements adopted by the Behavior Analyst Certification Board

under the direction of a licensed behavior analyst [~~icensed in this State~~];

- [(3)] (4) An individual who directly implements applied behavior analysis services and:
- (A) Is credentialed as a registered behavior technician by the Behavior Analyst Certification Board, and is under the direction of a licensed behavior analyst [~~icensed in this State~~]; or
 - (B) Is a direct support worker who [~~provides autism treatment services pursuant to an individualized education plan~~] directly implements an applied behavior analysis program under the supervision of a licensed behavior analysts or licensed psychologist on or before January 1, [2019;] 2020; [or]
 - (C)¹ [~~Is a direct support worker who provides medicaid home and community-based services pursuant to section 1915(e) of the Social Security Act on or before January 1, 2019;~~]
- provided that for purposes of this paragraph, “direct support worker” means a [~~teacher or~~] paraprofessional who directly implements intervention or assessment plans under supervision and does not design intervention or assessment plans;
- [(4)] (5) A family member [~~or~~], legal guardian, or caregiver implementing an applied behavior analysis plan and who acts under the direction of a licensed behavior analyst [~~icensed in this State~~]; or Hawaii-licensed psychologist; provided that for the purposes of this paragraph, “caregiver” means an individual who provides habilitative services in an adult foster home, developmental disabilities domiciliary home, adult residential care home, expanded adult residential care home, special treatment facility, or therapeutic living program pursuant to the medicaid home and community-based services waiver program authorized by section 1915(c) of the Social Security Act;
- [(5)] (6) An individual who designs or implements applied behavior analysis services to participants in the medicaid home and community-based service waiver program pursuant to section 1915(c) of the Social Security Act on or before January 1, 2024;
- (7) An individual who engages in the practice of applied behavior analysis with nonhuman or nonpatient clients or consumers including but not limited to applied animal behaviorists and practitioners of organizational behavior management;
- [(6)] (8) A matriculated graduate student or postdoctoral fellow whose activities are part of a defined applied behavior analysis program of study, practicum, or intensive practicum; provided that the student’s or fellow’s activities or practice is directly supervised by a licensed behavior analyst [~~icensed in this State~~], licensed psychologist, or an instructor from a nationally recognized training organization or in a Behavior Analyst Certification Board-approved course sequence; or
- [(7)] (9) An individual pursuing experience in applied behavior analysis consistent with the Behavior Analyst Certification Board’s experience requirements; provided that the experience is supervised by a licensed behavior analyst [~~icensed in this State~~].

(b) Nothing in this chapter shall be construed to prevent any licensed psychologist from engaging in the practice of applied behavior analysis in this State as long as the [~~person~~] licensed psychologist is not in any manner held out to the public as a “licensed behavior analyst” or “behavior analyst” and the

behavior analysis services provided by the licensed psychologist are within the licensed psychologist's recognized scope of practice."

SECTION 4. Sections 465D-2, 465D-4, 465D-5, and 465D-11, Hawaii Revised Statutes, are amended by substituting the phrase "practice of applied behavior analysis" wherever the phrase "practice of behavior analysis" appears, as the context requires.

SECTION 5. Section 465D-11, Hawaii Revised Statutes, is amended by substituting the phrase "applied behavior analysis" wherever the phrase "behavior analysis" appears, as the context requires.

SECTION 6. (a) The department of education shall create an implementation plan to seek reimbursement of any medicaid billable applied behavior analysis the department of education may provide to students diagnosed with autism spectrum disorder.

(b) The department of education shall submit an initial report to the legislature and board of education within ninety days of the effective date of this Act; provided that the initial report shall include clear objectives on staffing, data collection and analysis, reporting and accountability, and any other necessary points to effectuate the implementation plan pursuant to subsection (a).

(c) After the submission of the initial report to the legislature and board of education pursuant to subsection (b), the department of education shall submit quarterly reports to the legislature and board of education; provided that the quarterly reports shall include the following:

- (1) The number of students diagnosed with autism spectrum disorder;
- (2) The number of students with autism spectrum disorder as part of their individualized education plan;
- (3) The number of students requiring applied behavior analysis;
- (4) Staffing updates and needs;
- (5) Medicaid reimbursement schedules and amounts;
- (6) Licensure updates; and
- (7) Any other information pertinent to the implementation of this Act.

SECTION 7. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 8. This Act shall take effect upon its approval.

(Approved July 10, 2018.)

Note

- 1. So in original.

ACT 206

H.B. NO. 1895

A Bill for an Act Relating to Health.

Be It Enacted by the Legislature of the State of Hawaii:

PART I

SECTION 1. The department of health shall establish two full-time equivalent (2.0 FTE) permanent surveyor positions and one full-time equivalent (1.0 FTE) permanent supervisor position to review, certify, and recertify dialysis

centers and other health care facilities under the purview of the department of health.

SECTION 2. There is appropriated out of the general revenues of the State of Hawaii the sum of \$157,500 or so much thereof as may be necessary for fiscal year 2018-2019 to assist in the review, certification, and recertification of dialysis centers and other health care facilities under the purview of the department of health, including the hiring of necessary staff.

The sum appropriated shall be expended by the department of health for the purposes of this part.

SECTION 3. There is appropriated out of the general revenues of the State of Hawaii the sum of \$150,000 or so much thereof as may be necessary for fiscal year 2018-2019 to assist in the review, certification, and recertification of dialysis centers and other health care facilities under the purview of the department of health, including the hiring of necessary staff.

The sum appropriated shall be expended by the department of health for the purposes of this part.

PART II

SECTION 4. Chapter 28, Hawaii Revised Statutes, is amended by adding a new part to be appropriately designated and to read as follows:

“PART XII. ELECTRONIC SMOKING DEVICE RETAILER REGISTRATION UNIT

§28-A Policy. The registration of electronic smoking device retailers is reasonably necessary to protect the health, safety, or welfare of consumers of electronic smoking devices and for the enforcement of the laws that regulate the sale of electronic smoking devices.

§28-B Definitions. As used in this part:

“Business location” or “place of business” means the entire premises occupied by a retailer of electronic smoking devices and shall include but is not limited to any store, stand, outlet, vehicle, cart, location, vending machine, or structure from which electronic smoking devices are sold or distributed to a consumer.

“Electronic smoking device” means any electronic product that can be used to aerosolize and deliver nicotine or other substances to the person inhaling from the device, including but not limited to an electronic cigarette, electronic cigar, electronic cigarillo, or electronic pipe, and any cartridge or other component of the device or related product.

“Entity” means one or more individuals, a company, corporation, a partnership, an association, or any other type of legal entity.

“Retail sale” or “electronic smoking device retailing” means the practice of selling electronic smoking devices to consumers.

§28-C Electronic smoking device retailer registration unit. There is established in the department of the attorney general the electronic smoking device retailer registration unit.

§28-D Registration. (a) Every entity with a place of business in the State that engages in the retail sale of electronic smoking devices shall register with the unit by providing all of the information required by this section. Regis-

tration shall not be approved unless all of the applicable provisions of this section have been met to the satisfaction of the unit.

- (b) Registration information required by this section shall include:
 - (1) The name or names under which the entity conducts or will conduct business;
 - (2) The address of the principal place of business of the entity and the address of each place of business the entity maintains in the State;
 - (3) The entity's general excise tax number;
 - (4) A statement of ownership that shall include the name of each person who, individually or acting in concert with any other person or persons, owns or controls, directly or indirectly, twenty-five per cent or more of the equity interests of the entity; and
 - (5) An attestation that the entity is not in violation of the Federal Food, Drug, and Cosmetic Act, as amended by the Family Smoking Prevention and Tobacco Control Act and its regulations, or has not received a warning letter from the United States Food and Drug Administration based on a compliance check inspection within thirty days of applying for registration.

§28-E Certificate. (a) Upon approval of an entity's registration, the unit shall issue a certificate to the entity for each place of business where the entity will engage in electronic smoking device retailing.

(b) The unit may charge a registration fee not to exceed \$500 for each entity that registers.

(c) Registration under this section shall expire on June 30 of each even-numbered year. Before June 30 of each even-numbered year, the unit shall mail a renewal application for registration to the address on record of the registrant. In connection with renewal of registration, a holder of a certificate shall provide all of the information required by section 28-D. Failure to renew a registration shall result in a civil penalty under section 28-H.

(d) The entity shall display the registration certificate in a conspicuous location in each place of business.

(e) The entity shall notify the unit within five days of receiving notice from the United States Food and Drug Administration that it is in violation of the Federal Food, Drug, and Cosmetic Act, as amended by the Family Smoking Prevention and Tobacco Control Act and its regulations, and provide the unit with all material details related to the violation.

(f) The unit shall publish on the website of the department of the attorney general a list of all entities that hold a certificate.

§28-F Inspection. (a) The unit may examine all records of any entity engaged in the business of electronic smoking device retailing to verify the accuracy of the information provided for registration or to verify that an entity is selling electronic smoking devices without being registered. Every person in possession of any books, papers, and records, and the person's agents and employees, are directed and required to give the unit opportunities for examination of applicable records.

(b) The unit may inspect the operations, premises, and storage areas of any entity engaged in the retail sale of electronic smoking devices as necessary.

§28-G Personnel. The unit shall employ any attorneys, auditors, investigators, and other personnel as necessary to promote the effective and efficient conduct of the unit's activities.

§28-H Civil penalty for failure to register. An entity that fails to register with the unit within thirty days of engaging in the retail sale of electronic smoking devices shall be subject to a civil penalty of \$100 for each day that the violation of this section continues, plus the costs of any investigations conducted by the unit.”

SECTION 5. Chapter 245, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

“§245- Delivery sales. (a) No person shall conduct a delivery sale or otherwise ship or transport, or cause to be shipped or transported, any electronic smoking device in connection with a delivery sale to any person under the age of twenty-one.

(b) A person who makes delivery sales shall not accept a purchase or order from any person without first obtaining the full name, birth date, and address of that person and verifying the purchaser’s age by:

- (1) An independently operated third-party database or aggregate of databases that are regularly used by government and businesses for the purpose of age and identity verification and authentication;
- (2) Receiving a copy of a government issued identification card from the purchaser; or
- (3) Requiring age and signature verification in the shipment process and upon and before actual delivery.

(c) The purchaser shall certify their age before completing the purchaser’s order.

(d) Any person who violates this section shall be fined \$500 for the first offense. Any subsequent offenses shall subject the person to a fine of no less than \$500 but no more than \$2,000. Any person under twenty-one years of age who violates this section shall be fined \$10 for the first offense; provided that any subsequent offense shall subject the person to a fine of \$50, no part of which shall be suspended, or the person shall be required to perform no less than forty-eight hours but no more than seventy-two hours of community service during hours when the person is not employed or attending school.

(e) The department shall not adopt rules prohibiting delivery sales.

(f) For the purposes of this section:

“Delivery sale” means any sale of an electronic smoking device to a purchaser in the State where either:

- (1) The purchaser submits the order for sale by means of a telephonic or other method of voice transmission, the mail or any other delivery service, or the internet or other online service; or
- (2) The electronic smoking device is delivered by use of the mail or any other delivery service.

The foregoing sales of electronic smoking devices shall constitute a delivery sale regardless of whether the seller is located within or without the State.

“Electronic smoking device” means any electronic product that can be used to aerosolize and deliver nicotine or other substances to the person inhaling from the device, including but not limited to an electronic cigarette, electronic cigar, electronic cigarillo, or electronic pipe, and any cartridge or other component of the device or related product.”

SECTION 6. Chapter 328J, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

“§328J- Statewide concern. (a) Sales of cigarettes, tobacco products, and electronic smoking devices are a statewide concern. It is the intent of the legislature to regulate the sale of cigarettes, tobacco products, and electronic smoking devices in a uniform and exclusive manner.

(b) All local ordinances or regulations that regulate the sale of cigarettes, tobacco products, and electronic smoking devices are preempted, and existing local laws and regulations conflicting with this chapter are null and void.

(c) Nothing in this chapter shall be construed to limit a county’s authority under section 328J-15.”

SECTION 7. Section 328J-18, Hawaii Revised Statutes, is amended to read as follows:

“~~[[§328J-18]]~~ Placement of cigarettes and tobacco products. (a) Except as otherwise provided under this section, a retailer may sell cigarettes, smokeless tobacco, and all other tobacco products only in a direct, face-to-face exchange between the retailer and the consumer. Examples of methods of sale that are not permitted include vending machines and self-service displays.

~~(b) A retailer may only display or store cigarettes and tobacco products:~~

~~(1) Behind a sales counter or in any other area of the establishment that is inaccessible to the public; or~~

~~(2) In a locked container.~~

~~[(b)] (c) This section shall not apply to:~~

(1) A duty-free sales enterprise selling duty-free merchandise in accordance with the provisions of title 19 United States Code section 1555(b), and any implementing regulations; and

(2) Retail tobacco stores, bars, or any other establishment for which the minimum age for admission is eighteen.”

SECTION 8. Section 712-1258, Hawaii Revised Statutes, is amended to read as follows:

“~~[[§712-1258]]~~ Tobacco products and electronic smoking devices; persons under twenty-one years of age. (1) It shall be unlawful to sell or furnish a tobacco product in any shape or form or an electronic smoking device to a person under twenty-one years of age.

~~(2) All persons engaged in the retail sale of tobacco products or electronic smoking devices shall check the identification of tobacco product or electronic smoking device purchasers to establish the age of the purchaser if the purchaser reasonably appears to be under twenty-seven years of age.~~

~~(3) It shall be an affirmative defense that the seller of a tobacco product or an electronic smoking device to a person under twenty-one years of age in violation of this section had requested, examined, and reasonably relied upon a photographic identification from the person establishing that person’s age as at least twenty-one years of age prior to selling the person a tobacco product or an electronic smoking device. The failure of a seller to request and examine photographic identification from a person under twenty-one years of age prior to the sale of a tobacco product or an electronic smoking device to the person shall be construed against the seller and form a conclusive basis for the seller’s violation of this section.~~

~~[(2)] (4) Signs using the statement, “The sale of tobacco products or electronic smoking devices to persons under twenty-one is prohibited”, shall be posted on or near any vending machine in letters at least one-half inch high and~~

at or near the point of sale of any other location where tobacco products or electronic smoking devices are sold in letters at least one-half inch high.

~~[(3)]~~ (5) It shall be unlawful for a person under twenty-one years of age to purchase or possess any tobacco product or electronic smoking device, as those terms are defined in subsection ~~[(5)]~~ (7). This provision does not apply if a person under the age of twenty-one, with parental authorization, is participating in a controlled purchase as part of a law enforcement activity or a study authorized by the department of health under the supervision of law enforcement to determine the level of incidence of tobacco or electronic smoking devices sales to persons under twenty-one years of age.

~~[(4)]~~ (6) Any person who violates subsection (1) or ~~[(2)]~~ (4), or both, shall be fined \$500 for the first offense. Any subsequent offenses shall subject the person to a fine not less than \$500 nor more than \$2,000. Any person under twenty-one years of age who violates subsection ~~[(3)]~~ (5) shall be fined \$10 for the first offense. Any subsequent offense shall subject the violator to a fine of \$50, no part of which shall be suspended, or the person shall be required to perform not less than forty-eight hours nor more than seventy-two hours of community service during hours when the person is not employed and is not attending school. Any tobacco product or electronic smoking device, as those terms are defined in subsection (7), in the person's possession at the time of violation of subsection (5) shall be seized, summarily forfeited to the State, and destroyed by law enforcement following the conclusion of an administrative or judicial proceeding finding that a violation of subsection (5) has been committed. The procedures set forth in chapter 712A shall not apply to this subsection.

~~[(5)]~~ (7) For the purposes of this section:

“Electronic smoking device” means any electronic product that can be used to aerosolize and deliver nicotine or other substances to the person inhaling from the device, including but not limited to an electronic cigarette, electronic cigar, electronic cigarillo, or electronic pipe, and any cartridge or other component of the device or related product.

“Tobacco product” means any product made or derived from tobacco that contains nicotine or other substances and is intended for human consumption or is likely to be consumed, whether smoked, heated, chewed, absorbed, dissolved, inhaled, or ingested by other means. “Tobacco product” includes but is not limited to a cigarette, cigar, pipe tobacco, chewing tobacco, snuff, snus, or an electronic smoking device. “Tobacco product” does not include drugs, devices, or combination products approved for sale by the United States Food and Drug Administration, as those terms are defined in the Federal Food, Drug, and Cosmetic Act.”

SECTION 9. This part does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

PART III

SECTION 10. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.¹

SECTION 11. This Act shall take effect on July 1, 2018.

(Approved July 10, 2018.)

Note

1. Edited pursuant to HRS §23G-16.5.

A Bill for an Act Relating to Resource Recovery.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that the department of education produces a large amount of rubbish and waste from two hundred sixty-five schools across the State, which significantly impacts the State's environment and finances.

The legislature further finds that on-site campus composting programs involving students have been extremely successful in providing a beneficial method of waste diversion. These programs foster learning about scientific principles and social practices while allowing students to take responsibility for the amount of waste generated.

The legislature believes that a demonstration of the effectiveness of on-site campus composting allows students to see the relationships between food waste, composting, nutrient cycling, healthy soils, and local food production. This is a natural extension of the legislature's commitment to increasing garden- and farm-based opportunities and is one of five pillars of the department of agriculture's Hawaii farm to school program, established by Act 218, Session Laws of Hawaii 2015. Proper guidance from the departments of health and agriculture regarding campus composting would increase the safety of existing programs while expanding opportunities for new programs in state schools.

The legislature finds that developing a statewide model for on-site campus composting provides a way to reach the Aloha+ Challenge waste reduction goals, increase local food production, and promote natural resource management.

Accordingly, the purpose of this Act is to authorize the department of education to establish composting grant pilot projects in department of education schools to:

- (1) Address opportunities for waste diversion;
- (2) Engage students to learn about different composting methods;
- (3) Develop nutrient-rich soil for school gardens and local agricultural endeavors;
- (4) Decrease the amount of methane-producing waste being dumped in landfills;
- (5) Decrease the overall trash hauling cost to taxpayers; and
- (6) Develop campus composting guidelines in conjunction with department of health rules for system-wide guidance.

SECTION 2. (a) The department of education may issue grants to establish composting grant pilot projects in department of education schools pursuant to the recommendation of the composting grant pilot project working group.

(b) The department of education may establish the composting grant pilot project working group, and shall invite the following members or their designees to participate in the working group:

- (1) The superintendent of education;
- (2) A representative of the department of education, office of school facilities and support services;
- (3) A representative of the department of education, office of curriculum, instruction, and student support;
- (4) A representative of the department of health, sanitation branch;
- (5) The Hawaii farm to school coordinator in the department of agriculture;
- (6) The dean of the University of Hawaii at Manoa college of tropical agriculture and human resources;

- (7) The president of the Hawaii Farm Bureau;
 - (8) A representative of the Kokua Hawaii Foundation;
 - (9) An experienced school composting program leader; and
 - (10) A volunteer member of the community.
- (c) The composting grant pilot project working group shall:
- (1) In conjunction with the department of health, develop guidelines and provide oversight for campus composting, which shall include leachate monitoring, pathogen testing, involvement of community members, development of a fire plan, material categorization, and volume recording;
 - (2) Consider multiple composting and fermentation techniques that can be tested and monitored for effectiveness in schools of varying sizes, such as bokashi for meats, dairy products, and bones; vermicomposting for vegetable wastes; hot composting for vegetative wastes; and aerated compost tea and vermicast tea for soil amendments;
 - (3) Establish networks and relationships with local farms and piggeries that may be able to accept surplus food waste; and
 - (4) Make recommendations to the department of education regarding the issuance of grants to schools pursuant to this section.
- (d) The composting grant pilot project working group shall elect one of its members to serve as its chair.
- (e) The composting grant pilot project working group shall be administratively attached to the department of education, which shall provide support staff for the composting grant pilot project working group.
- (f) Members of the composting grant pilot project working group shall serve without compensation but shall be reimbursed for reasonable expenses, including travel expenses, incurred during the performance of their duties.
- (g) No member of the composting grant pilot project working group shall be made subject to chapter 84, Hawaii Revised Statutes, solely because of that member's participation on the composting grant pilot project working group.
- (h) The composting grant pilot project working group shall submit a report to the legislature with its findings and recommendations no later than twenty days prior to the convening of the regular session of 2019 and each regular session thereafter.
- (i) The department of education shall adopt rules, pursuant to chapter 91, Hawaii Revised Statutes, to implement the composting grant pilot project.
- (j) The department of agriculture's farm to school program, established by section 141-11, Hawaii Revised Statutes, shall provide oversight of the composting grant pilot project.
- (k) Any school that is a recipient of a grant issued pursuant to this Act shall pay a portion of the initial operating costs of a composting grant pilot project using either its elective funds or any applicable fundraising proceeds, as prescribed by rules adopted pursuant to subsection (i).

SECTION 3. There is appropriated out of the general revenues of the State of Hawaii the sum of \$300,000 or so much thereof as may be necessary for fiscal year 2018-2019 to establish and implement the composting grant pilot project.

The sum appropriated shall be expended by the department of education for the purposes of this Act.

SECTION 4. This Act shall take effect on July 1, 2018.

(Approved July 10, 2018.)

A Bill for an Act Relating to Juvenile Justice Reform.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Chapter 352, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

“§352- Hawaii youth correctional facilities; Kawaiiloa youth and family wellness center; authority. (a) The Hawaii youth correctional facilities may operate and maintain the Kawaiiloa youth and family wellness center within the scope of the authority granted by the office of youth services pursuant to section 352D- , using funds appropriated or approved by the legislature for this purpose.

(b) Persons committed to the Hawaii youth correctional facilities shall be segregated from youth and young adults admitted to the Kawaiiloa youth and family wellness center. For purposes of this section, “young adult” has the same meaning as in section 352D-3.”

SECTION 2. Chapter 352D, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

“§352D- Kawaiiloa youth and family wellness center; creation. (a) The office of youth services may create and develop a central youth service center known as the Kawaiiloa youth and family wellness center at the site of the Hawaii youth correctional facilities. The office of youth services may grant to the Hawaii youth correctional facilities the authority to operate and maintain the Kawaiiloa youth and family wellness center; provided that opportunities may be given to existing state Hawaii youth correctional facilities civil service employees to participate in the services and programs, as specified in subsection (d), including discussing long-term plans for employment and training opportunities to contribute professionally to the program.

(b) A primary objective of the Kawaiiloa youth and family wellness center shall be to prevent delinquency, as specified in section 352D-7.

(c) The other objectives of the Kawaiiloa youth and family wellness center shall be to:

- (1) Offer residential programs in delinquency prevention, including youth services, as defined in section 352D-3;
- (2) Provide a wider range of informal dispositions, particularly alternatives to the juvenile justice system; and
- (3) Develop an improved system of intake, assessment, and follow-up for youth at risk and young adults at risk.

(d) The Kawaiiloa youth and family wellness center services and programs may include but shall not be limited to mental health services and programs, substance abuse treatment programs, crisis shelters for homeless youth, crisis shelters for victims of human and sex trafficking, vocational training, group homes, day treatment programs, aftercare, independent and family counseling services, educational services, and other services and programs that may be required to meet the needs of youth or young adults.

(e) All youth at risk and all young adults at risk shall be eligible for services at the Kawaiiloa youth and family wellness center.”

SECTION 3. Section 352-2.1, Hawaii Revised Statutes, is amended to read as follows:

“§352-2.1 Purpose. (a) This chapter creates within the department of human services, and ~~[to be placed]~~ places within the office of youth services under the supervision of the director and such other subordinates as the director shall designate, the Hawaii youth correctional facilities, to provide for the custody, rehabilitation, and institutional care and services to prepare for reentry into their communities and families, youth committed by the courts of the State.

(b) This chapter further creates within the department of human services, and places within the office of youth services under the supervision of the director and such other subordinates as the director shall designate, and under the supervision of the Hawaii youth correctional facilities, the Kawaiiloa youth and family wellness center, to provide prevention, rehabilitation, and treatment services and programs for youth at risk and young adults at risk, to prevent delinquency and reduce the incidence of recidivism among youth and young adults in the State.

~~[(b)]~~ (c) The policy and purpose of this chapter is to harmonize the sometimes conflicting requirements of public safety, secure placement, and individualized services for law violators in the custody and care of the director. To that end, the director shall provide the opportunity for intelligence and aptitude evaluation, psychological testing and counseling, prevocational and vocational training, and employment counseling to all persons committed to the Hawaii youth correctional facilities~~[-]~~ and to all youth and young adults admitted to the Kawaiiloa youth and family wellness center.¹ Counseling services shall be available to the committed or admitted person's family during the term of commitment~~[-]~~ to the Hawaii youth correctional facilities or admission to the Kawaiiloa youth and family wellness center. The director shall coordinate services provided to the facilities by other departments and agencies, to realize these policies and purposes.

(d) For purposes of this section, “youth at risk”, “young adult at risk”, and “young adult” have the same meaning as in section 352D-3.”

SECTION 4. Section 352D-3, Hawaii Revised Statutes, is amended by adding a new definition to be appropriately inserted and to read as follows:

“Young adult at risk” or “young adult” means any adult between the ages of eighteen and twenty-four who has been arrested, who has had contact with the police, who is experiencing social, emotional, psychological, educational, or physical problems, and who is no longer eligible for child protective services provided by the State due to the adult's age.”

SECTION 5. Section 352D-4, Hawaii Revised Statutes, is amended to read as follows:

“§352D-4 Establishment; purpose. There is established within the department of human services for administrative purposes only the office of youth services. The office of youth services is established to provide services and programs for youth at risk under one umbrella agency in order to facilitate optimum service delivery, to prevent delinquency, and to reduce the incidence of recidivism among juveniles through the provision of prevention, rehabilitation, and treatment services. The office shall also be responsible for program planning and development, intake/assessment, oversight, as well as consultation, technical assistance, and staff training relating to the delivery of services.

The office shall provide a continuum of services as follows:

- (1) An integrated intake/assessment and case management system;
- (2) The necessary educational, vocational, social counseling and mental health services; provided that the department of education shall

be the only provider of standards-based education services for all youth adults at risk and young adults identified with special education needs or actively receiving special education services, in accordance with the Individuals with Disabilities Education Act (20 U.S.C. section 1400 et seq.) and all applicable federal and state educational requirements;

- (3) Community-based shelter and residential facilities;
- (4) Oversight of youth services; and
- (5) Other programs which encourage the development of positive self-images and useful skills in such youth.

The executive director of the office of youth services shall submit annual reports to the legislature no later than twenty days prior to the convening of each regular session, reporting the services or programs funded pursuant to this section, the number of youth served by each service or program, and the results of the services or programs funded.

To this end, on July 1, 1991, this office shall assume the responsibilities for juvenile corrections functions, which were temporarily placed in the department of corrections pursuant to Act 338 of 1987. These functions shall include, but not be limited to, all responsibilities, under chapter 352, for the Hawaii youth correctional facilities.”

SECTION 6. Section 352D-7, Hawaii Revised Statutes, is amended to read as follows:

“352D-7 Youth services centers; creation. (a) Beginning July 1, 1991, the office of youth services shall create, develop, and operate youth service centers throughout the State, including one or more in each county[-] and including the Kawaiiloa youth and family wellness center created pursuant to section 352D- . This may be done either directly or by contract with private parties. Delinquency prevention shall be a primary objective of these centers. The population eligible for services at the centers [~~would~~] shall be all youths in need of services[-] and all young adults at risk. All referrals and admissions to a youth services center shall be voluntary. Centers [~~would~~] shall also develop individualized intake capabilities, program plans, delivery of services, and a comprehensive referral network. The objectives of the youth service centers shall be to:

- (1) Develop and implement programs in delinquency prevention;
- (2) Provide a wider range of informal dispositions, particularly alternatives to the juvenile justice system;
- (3) Develop an improved system of intake, assessment, and follow-up for youths[~~]~~ including youth at risk, and for young adults at risk; and
- (4) Provide better coordination of juvenile justice and nonjuvenile justice services in order to reduce overlaps and gaps in services.

(b) Each center shall:

- (1) Be responsible for coordinating all services, justice system or [~~non-justice~~] non-justice system, both public and private, to the youth and young adults referred to it; and
- (2) Be responsive to the needs of its immediate community and offer an array of services that are tailored to the needs of its constituents.

(c) Every youth and young adult referred to a youth services center shall[~~, as soon as possible,~~] be appropriately placed with a service provider and provided services[-] as soon as possible. The center shall develop procedures [~~which~~] that will [~~insure~~] ensure that appropriate service providers are available

on a twenty-four hour basis for each youth[-] and young adult. The center may contract with [~~such~~] service providers for [~~such~~] provision of services.

(d) Each youth service center shall maintain a registry of every youth and young adult referred to it and shall monitor and supervise the follow-up services that are provided to the youth[-] or young adult. Each center shall be primarily responsible to [~~insure~~] ensure that [~~the~~] each youth is fully diverted from the juvenile justice system.”

SECTION 7. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.²

SECTION 8. This Act shall take effect upon its approval.

(Approved July 10, 2018.)

Notes

1. Period should be underscored.
2. Edited pursuant to HRS §23G-16.5.

ACT 209

S.B. NO. 2401

A Bill for an Act Relating to Homelessness.

Be It Enacted by the Legislature of the State of Hawaii:

PART I

SECTION 1. Ohana is a group of closely- or distantly-related people who share nearly everything, from land and food to responsibility for taking care of children and elders. Members of an ohana, whether or not related by blood, treat each other as extended family and share generously with each other. The legislature finds that building upon this ethic of ohana presents an opportunity to improve the lives of people experiencing homelessness.

The legislature also finds that, while significant strides have been made, current attempts to address homelessness in Hawaii remain insufficient. Hawaii continues to have the highest number of individuals experiencing homelessness per capita of any state in the nation. The city and county of Honolulu, which has the highest number of individuals experiencing homelessness of any county in Hawaii, has seen the number of unsheltered individuals experiencing homelessness rise over the past five years and the number of people in shelters decline during the same period despite increased investment in shelters and enforcement.

Therefore, the legislature finds that addressing homelessness requires the courage to try something new. Last year, the legislature passed Act 212, Session Laws of Hawaii 2017, to create a working group to examine safe zones for people experiencing homelessness as one possible solution to the problem. Some stakeholders have expressed reservations about safe zones and have advised that scarce resources should not be diverted from the development of permanent housing. Unfortunately, the development of permanent housing takes time, and in the meantime, people experiencing homelessness will continue to live unsheltered and without adequate and meaningful access to social services.

In response to these concerns, some policymakers have expressed support for ohana zones, which are designed to assist individuals experiencing homelessness find and transition into permanent housing. The legislature finds that ohana zones have the potential to serve individuals experiencing homelessness

in a way that existing programs are currently unable. Ohana zones will have the goal of improving the health and well-being of individuals experiencing homelessness and providing access to needed services. The use of the term ohana is not meant to suggest that the use of an ohana zone is limited to nuclear families or people related by blood, but rather that an ohana zone provides a welcoming, safe haven where individuals experiencing homelessness and those who serve them treat each other as an extended family.

Because it is unclear what costs and benefits will accrue using the new model of an ohana zone, the legislature finds that these costs and benefits should be carefully studied, and that ohana zones should, at least initially, be temporary.

The purpose of this part is to establish a pilot program for the establishment of ohana zones, with the goal of improving the health and well-being of individuals experiencing homelessness and providing individuals experiencing homelessness with needed services.

SECTION 2. Definitions. For purposes of this part:

“Homeless” has the same meaning as defined in section 346-361, Hawaii Revised Statutes.

“Ohana zone” means a place:

- (1) That has a program to address basic needs of individuals experiencing homelessness; and
- (2) Where wrap-around services, social and health care services, transportation, and other services may be offered with the goals of alleviating poverty and transitioning individuals experiencing homelessness into affordable housing.

SECTION 3. (a) There is established the ohana zones pilot program to provide temporary housing and services to homeless individuals and families based on principles similar to the housing first program.

(b) The governor shall designate executive branch agencies to develop and implement the ohana zones pilot program, including an agency with specific expertise in construction development and an agency with specific expertise in administering homeless services. The governor, through the governor’s designated agencies, shall determine the number and locations of the ohana zones, which shall be situated on public lands; provided that the designated agencies shall identify at least three sites on Oahu and one site on each of the islands of Hawaii, Kauai, and Maui.

(c) The agencies designated pursuant to subsection (b) may coordinate with public or private entities, as appropriate, to develop and implement the ohana zones pilot program; provided that if any public land under the jurisdiction of a state or county agency is determined to be suitable for use as an ohana zone, the designated agencies shall:

- (1) Work with the appropriate state or county agency that controls the land to transfer the land designated for use as an ohana zone to an agency whose mission is more suited to the management of ohana zones; and
- (2) Work with the appropriate state or county agency that controls the land and its construction agency to ensure that an ohana zone’s infrastructure needs are met and minimize adverse impacts to the environment, including to nearshore resources such as corals, reef fish, and seabirds.

(d) The ohana zones pilot program may provide the following facilities and services at each ohana zone site:

- (1) Secure dwelling spaces that:

- (A) May be private or communal;
- (B) Have access to toilets, showers, and other hygiene facilities; and
- (C) Have access to an area for food storage and meal preparation;
- (2) Medical and social support services; and
- (3) Transportation to appointments related to medical care or supportive services that are not available onsite.

SECTION 4. (a) Contracts entered into by the agencies designated by the governor pursuant to the ohana zones pilot program shall be exempt from the requirements of chapters 103D and 103F, Hawaii Revised Statutes.

(b) The agencies designated by the governor shall establish no later than December 31, 2018, the following:

- (1) The criteria that the agencies will use to evaluate potential ohana zone locations;
- (2) A monthly timetable of milestones that the agencies expect to meet in establishing one or more ohana zones over the course of the three-year pilot program;
- (3) The specific, measurable, attainable, reasonable, and time-based performance measures that the agencies expect to meet at the end of each fiscal year;
- (4) The evaluation criteria and process that the agencies intend to use each year when reviewing the success and sustainability of the ohana zones; and
- (5) The monitoring and oversight controls that the agencies will have over the ohana zones to identify, address, and prevent possible fraud, waste, and abuse and ensure compliance with local, state, and federal laws.

(c) The governor's coordinator on homelessness shall compile and consolidate information from the agencies designated by the governor to effectuate this part and submit reports to the legislature no later than twenty days prior to the convening of the regular sessions of 2019, 2020, and 2021.

(d) The report submitted no later than twenty days prior to the convening of the regular session of 2019 shall include the following information:

- (1) A summary and explanation of the process that the agencies designated by the governor pursuant to the ohana zones pilot program engaged in to identify possible ohana zone locations; and
- (2) A summary of the information required under subsection (b).

(e) The reports submitted no later than twenty days prior to the convening of the regular sessions of 2020 and 2021 shall include the following information:

- (1) The milestones established pursuant to subsection (b) that were met by the agencies designated by the governor pursuant to the ohana zones pilot program and ohana zones established during the fiscal year;
- (2) An evaluation of the ohana zones to determine whether the objectives set have been met or exceeded;
- (3) Any proposed changes that need to be made to the performance measures used to assess the achievement of program goals; and
- (4) An assessment of the impact of the ohana zone model on the homelessness problem in Hawaii.
- (f) The pilot program shall cease to exist on June 30, 2021.

SECTION 5. There is appropriated out of the general revenues of the State of Hawaii the sum of \$30,000,000 or so much thereof as may be necessary for fiscal year 2018-2019 for the establishment of the ohana zones pilot program and expenses related to facility construction, provision of services, staffing, and administrative costs.

The sum appropriated shall be expended by the office of the governor for the purposes of this part; provided that the governor shall transfer the expenditure authority to designated executive branch departments or agencies within a reasonable time.

Notwithstanding any other law to the contrary, the governor may transfer all or a portion of the appropriation in this section to the governor's designated executive branch agencies for expenditures incurred to implement the program.

The governor's designated executive branch agencies may expend any appropriation transferred pursuant to this section for the performance of its duties under the pilot program.

PART II

SECTION 6. The legislature finds that there is excessive utilization of hospital emergency department resources by homeless individuals for non-emergency needs. Many of these users are considered super utilizers if they visit the emergency department at least three times per week, are admitted to the hospital at least three times per month, or visit the emergency department at least twelve times per quarter, and suffer from mental health and substance abuse issues. According to 2015 data from the Hawaii Health Information Corporation, the billed charges for all homeless health care encounters that occurred in Hawaii hospitals was \$146,000,000. These encounters included repeat visits of, on average, two to three times.

The purpose of this part is to:

- (1) Establish and appropriate moneys for the emergency department homelessness assessment pilot program to identify individuals experiencing homelessness with the goal of providing case management to those who require supportive services and to demonstrate effectiveness in mitigating the increasing cost of medical care and unnecessary use of the hospital emergency department visits; and
- (2) Establish and appropriate moneys for the medical respite pilot program to offer medical, nursing, psychiatric, and other care for homeless individuals after being discharged from a hospital.

SECTION 7. (a) There is established within the department of human services a pilot program to be known as the emergency department homelessness assessment pilot program. The department of human services, in consultation with the Hawaii interagency council on homelessness and any other appropriate agency, shall serve as the administrator of the pilot program.

(b) The pilot program shall consist of multidisciplinary teams composed of but not limited to physicians, advanced practice registered nurses, social workers, and patient navigators who are employed by a participating hospital in the participating hospital's emergency department. The multidisciplinary team shall:

- (1) Identify patients who are experiencing homelessness or patients at risk of experiencing homelessness and have high utilization of emergency department services;
- (2) Assess the patient's current circumstances; and

- (3) Coordinate and refer these patients to appropriate and available wrap-around supports and community resources along the entire continuum of care with a goal of reducing costs associated with chronic use of hospital emergency departments.

(c) The department of human services shall work with the participating hospital under the emergency department homelessness assessment pilot program to collect and analyze data to be included in a report that contains a summary and explanation of the data regarding the efficacy of emergency department intervention by the multidisciplinary team in mitigating the number of unnecessary emergency department visits by patients experiencing homelessness or patients at risk of experiencing homelessness. The report shall contain findings and recommendations, including any proposed legislation, for continuation, modification, or termination of the pilot program. The department of human services shall submit the report to the legislature no later than twenty days prior to the convening of the regular session of 2019.

(d) The department of human services shall be exempt from chapter 103F, Hawaii Revised Statutes, in implementing this part.

(e) The emergency department homelessness assessment pilot program shall cease to exist on June 30, 2019.

SECTION 8. There is appropriated out of the general revenues of the State of Hawaii the sum of \$1,000,000 or so much thereof as may be necessary for fiscal year 2018-2019 for the department of human services to establish the emergency department homelessness assessment pilot program; provided that:

- (1) The department of human services shall reimburse the participating hospital for expenses directly related to the emergency department homelessness assessment pilot program;
- (2) No funds shall be disbursed to a participating hospital unless matched on a dollar-for-dollar basis by the participating hospital; and
- (3) All funds designated as matching funds by the participating hospital shall be funds expended by the participating hospital for the pilot program.

The sum appropriated shall be expended by the department of human services for the purposes of this part.

SECTION 9. (a) There is established within the department of human services a pilot program to be known as the medical respite pilot program. The department of human services, in consultation with the Hawaii interagency council on homelessness and any appropriate agency, shall serve as the administrator of the pilot program.

(b) A participating community human services provider, in partnership with a hospital participating in the pilot program, shall provide emergency housing for eligible individuals experiencing homelessness who are discharged from the participating hospital and provide, at minimum, meals, case management, and medical, nursing, and psychiatric care. The medical respite facilities shall comply with the department of health's standards of accessibility, sanitation, and other requirements, as determined by the department of health for facilities of similar use.

(c) The department of human services shall submit a report to the legislature of its findings and recommendations, including any proposed legislation, regarding the pilot program no later than twenty days prior to the convening of the regular session of 2019.

ACT 209

(d) The department of human services shall be exempt from chapter 103F, Hawaii Revised Statutes, in implementing this part.

(e) The medical respite pilot program shall cease to exist on June 30, 2019.

SECTION 10. There is appropriated out of the general revenues of the State of Hawaii the sum of \$1,000,000 or so much thereof as may be necessary for fiscal year 2018-2019 for the department of human services to establish the medical respite pilot program; provided that:

- (1) The department of human services shall reimburse a participating hospital for expenses directly related to the medical respite pilot program;
- (2) No funds shall be disbursed to a participating hospital unless matched on a dollar-for-dollar basis by the participating hospital; and
- (3) All funds designated as matching funds by the participating hospital shall be funds expended by the participating hospital for the pilot program.

The sum appropriated shall be expended by the department of human services for the purposes of this part.

PART III

SECTION 11. There is appropriated out of the general revenues of the State of Hawaii the sum of \$800,000 or so much thereof as may be necessary for fiscal year 2018-2019 for the department of human services to establish and administer a new family assessment center for homeless families that is in addition to any family assessment center for homeless families currently in existence.

The sum appropriated shall be expended by the department of human services for the purposes of this part.

PART IV

SECTION 12. There is appropriated out of the general revenues of the State of Hawaii the sum of \$400,000 or so much thereof as may be necessary for fiscal year 2018-2019 for the department of health to continue administering the law enforcement assisted diversion pilot program; provided that the department of health shall establish one site located on the island of Maui for which the department shall receive \$200,000 of the sum appropriated in this section, and one site located on the island of Hawaii for which the department shall receive \$200,000 of the sum appropriated in this section.

The sum appropriated shall be expended by the department of health for the purposes of this part.

PART V

SECTION 13. This Act shall take effect on July 1, 2018.

(Approved July 10, 2018.)

ACT 210

S.B. NO. 2237

A Bill for an Act Relating to Public Schools.

Be It Enacted by the Legislature of the State of Hawaii:

PART I

SECTION 1. The legislature finds that Act 97, Session Laws of Hawaii 1965, transferred the responsibility for functions that were deemed to be of state-wide concern from the counties to the State. Among these functions were the planning, construction, improvement, and maintenance of public school facilities and grounds, and the transportation of school children. Prior to the passage of Act 97, Session Laws of Hawaii 1965, the counties issued bonds to plan, construct, improve, and maintain public school facilities and grounds. Since these functions are now wholly the responsibility of the State, it only makes sense to begin transferring all remaining county lands and improvements under the department of education to the State.

Act 154, Session Laws of Hawaii 2003, conveyed fee simple title of all county of Hawaii lands being used by the department of education to the State. The county of Hawaii was the only county to have legislation passed to convey the fee simple interest in its properties to the State.

The State of Hawaii's department of education has invested significant public funds on the maintenance and capital improvement projects for new school facilities. The expenditure of these public funds was done without regard to the underlying fee ownership of the property. If the school is on county land, this investment in vertical improvements is transferred to the county when a school is closed, which is what happened when Wailupe elementary school closed.

The legislature further finds that Act 155, Session Laws of Hawaii 2013, provided the department of education with the authority to develop its assets to create twenty-first century schools. Act 155 also allowed the department of education to explore different mechanisms to redevelop its assets, including revenue generation in support of investments in twenty-first century schools.

The legislature additionally finds that the department of education is responsible for approximately 2,120 acres (92,353,688 square feet) of land under its school facilities within the city and county of Honolulu. Of this total land area, the city and county of Honolulu owns approximately one-half of the land under the existing school facilities, approximately one thousand four acres (43,753,360 square feet).

The legislature finds that the split ownership of the underlying fee simple lands under existing schools creates problems for redevelopment, especially when private investment is involved. In order to allow the department of education flexibility to redevelop or reposition its assets, especially along the rail transit corridor, the State should consolidate ownership of the lands under existing public schools.

The legislature further finds that, from an asset management standpoint, the department of education should also be given the authority and responsibility to own the real property on which its educational facilities are located. This will allow the department to maximize the value of its real estate assets as it seeks to redevelop and reposition public educational facilities in the future.

The purpose of this Act is to:

- (1) Transfer parcels of property containing schools operated by the department of education that are currently owned, operated, main-

- tained, and managed by the city and county of Honolulu, some of which are public park lands;
- (2) Give the department of education the power to acquire and hold title to real, personal, or mixed property for use for public educational purposes; and
 - (3) Require legislative approval prior to the sale or gift of lands to which the department of education holds title.

PART II

SECTION 2. (a) Notwithstanding any other law to the contrary, the fee simple interest to the following parcels of land with the existing improvements thereon (hereinafter "the properties") (but not including submerged land, accreted land, or any land makai of the shoreline), shall be conveyed by the city and county of Honolulu to the department of education as grantee, as is, where is:

- (1) TMK 1-4-4-3-16 (Aikahi elementary);
- (2) TMK 1-4-5-16-1 (Ben Parker elementary);
- (3) TMK 1-4-2-2-37 (portion) (Enchanted Lake elementary);
- (4) TMK 1-4-6-31-20 (Heeia elementary);
- (5) TMK 1-4-7-12-24 (portion) (Kahaluu elementary);
- (6) TMK 1-4-3-56-9 (portion) (Kailua elementary);
- (7) TMK 1-4-3-56-9 (portion) (Kailua intermediate);
- (8) TMK 1-4-3-76-15 (Kainalu elementary);
- (9) TMK 1-4-5-103-11 (Kaneohe elementary);
- (10) TMK 1-4-5-78-14 (portion) (Kapunahala elementary);
- (11) TMK 1-4-2-92-1 (portion) (Keolu elementary);
- (12) TMK 1-4-6-4-2 (King intermediate);
- (13) TMK 1-5-5-15-23 (Laie elementary);
- (14) TMK 1-4-2-55-12 (Lanikai elementary);
- (15) TMK 1-4-2-43-2 (portion) (Maunawili elementary);
- (16) TMK 1-4-5-30-38 (portion) (Puohala elementary);
- (17) TMKs 1-4-8-9-9, 1-4-8-9-11 (Waiahole elementary);
- (18) TMK 1-9-4-59-73 (August Ahrens elementary);
- (19) TMK 1-9-1-115-13 (Ewa Beach elementary);
- (20) TMK 1-9-7-36-124 (Highlands intermediate);
- (21) TMK 1-9-1-1-2 (portion) (Ilima intermediate);
- (22) TMK 1-9-1-1-3 (Iroquois Point elementary);
- (23) TMK 1-9-7-17-2 (portion) (Lehua elementary);
- (24) TMK 1-8-7-4-42 (portion) (Maili elementary);
- (25) TMK 1-8-4-25-10 (Makaha elementary);
- (26) TMK 1-9-7-93-16 (portion) (Palisades elementary);
- (27) TMK 1-9-7-24-2 (Pearl City elementary);
- (28) TMK 1-9-7-36-122 (Pearl City Highlands elementary);
- (29) TMK 1-9-1-1-2 (portion) (Pohakea elementary);
- (30) TMK 1-8-5-1-67 (Waianae elementary);
- (31) TMKs 1-9-4-10-98, 1-9-4-29-1 (Waipahu elementary);
- (32) TMK 1-9-4-1-29 (portion) (Waipahu intermediate);
- (33) TMK 1-1-1-10-33 (portion) (Aliamanu elementary);
- (34) TMK 1-1-1-10-33 (portion) (Aliamanu intermediate);
- (35) TMKs 1-9-8-29-2, 1-9-8-29-29 (Alvah Scott elementary);
- (36) TMKs 1-6-6-13-11, 1-6-6-13-13, 1-6-6-14-15 (Haleiwa elementary);
- (37) TMK 1-7-1-2-17 (Helemano elementary);
- (38) TMK 1-7-5-27-2 (portion) (Iliahi elementary);

- (39) TMK 1-7-3-19-13 (Kaala elementary);
- (40) TMK 1-9-5-21-2 (portion) (Kipapa elementary);
- (41) TMK 1-1-1-34-42 (Moanalua elementary);
- (42) TMK 1-1-1-9-5 (portion) (Moanalua intermediate);
- (43) TMK 1-1-1-2-6 (Nimitz elementary);
- (44) TMK 1-1-1-10-27 (Pearl Harbor elementary);
- (45) TMKs 1-7-1-2-8, 1-7-5-5-7, 1-7-5-5-3 (Wahiawa elementary);
- (46) TMK 1-6-7-1-10 (Waiialua elementary);
- (47) TMK 1-9-8-8-7 (portion) (Waimalu elementary);
- (48) TMK 1-3-6-11-9 (portion) (Aina Haina elementary);
- (49) TMKs 1-3-4-4-6, 1-3-4-4-7 (Anuenue elementary);
- (50) TMKs 2-1-005-001 (portion), 2-1-009-002, 2-1-009-003 (Central intermediate);
- (51) TMKs 1-1-3-24-5 (portion) (Dole intermediate);
- (52) TMKs 1-1-3-1-23, 1-1-3-1-17 (portion) (Fern elementary);
- (53) TMK 3-9-038-001 (portion) (Hahaione elementary);
- (54) TMKs 2-8-029-010, 2-8-029-011 (Hokulani elementary);
- (55) TMK 2-4-012-002 (Kaahumanu elementary);
- (56) TMKs 1-3-024-001, 1-3-024-002 (Kaewai elementary);
- (57) TMK 1-3-5-11-27 (Kahala elementary);
- (58) TMK 3-2-059-002 (Kaimuki intermediate);
- (59) TMKs 1-5-024-040, 1-5-025-002 (portion) (Kalakaua intermediate);
- (60) TMK 1-1-4-7-2 (portion) (Kalihi elementary);
- (61) TMK 1-5-025-002 (portion) (Kalihi-Kai elementary);
- (62) TMKs 1-3-035-001 (portion), 1-3-036-079 (Kalihi-Uka elementary);
- (63) TMK 3-9-005-061 (Kamiloiki elementary);
- (64) TMK 1-1-6-26-22 (Kapalama elementary);
- (65) TMK 1-7-023-042 (Kauluwela elementary);
- (66) TMK 1-2-2-9-11 (Kawananakoa intermediate);
- (67) TMK 3-9-022-037 (Koko Head elementary);
- (68) TMKs 1-2-7-17-30, 1-2-7-27-10 (portion) (Kuhio elementary);
- (69) TMK 1-3-2-21-35 (Liholiho elementary);
- (70) TMKs 1-1-6-8-16, 1-1-6-8-22, 1-1-6-8-24, 1-1-6-8-38, 1-1-6-8-58 (Likelike elementary);
- (71) TMK 1-1-3-39-5 (Linapuni elementary);
- (72) TMKs 1-2-3-30-55, 1-2-3-30-56 (Lunalilo elementary);
- (73) TMK 2-9-036-003 (portion) (Manoa elementary);
- (74) TMK 3-7-003-010 (portion) (Niu Valley intermediate);
- (75) TMK 1-2-9-23-29 (Noelani elementary);
- (76) TMK 1-2-2-43-11 (Nuuanu elementary);
- (77) TMK 1-3-4-2-1 (Palolo elementary);
- (78) TMK 1-2-2-16-20 (portion) (Pauoa elementary);
- (79) TMK 1-1-2-8-1 (Puuhale elementary);
- (80) TMK 1-3-2-45-3 (Waiialae elementary);
- (81) TMK 1-3-1-25-1 (portion) (Waikiki elementary);
- (82) TMK 1-2-3-26-1 (Washington intermediate); and
- (83) TMK 3-5-017-012 (portion) (Wilson elementary).

(b) The city and county of Honolulu shall prepare, execute, and record, in the land court or bureau of conveyances, as appropriate, a quitclaim deed to convey each above-listed parcel with all existing improvements, subject to the property boundaries determined pursuant to subsection (d), to the department of education, as grantee. As these are conveyances in which the city and county

of Honolulu and the State and its agencies are the only parties, the tax imposed by section 247-1, Hawaii Revised Statutes, shall not apply. Effective on the date of transfer pursuant to subsection (e), every reference to the present titleholder or the head of the department or agency in each instrument, if the titleholder is a department or an agency, shall be construed as a reference to the department of education.

(c) The department of education shall accept the properties in their existing condition. All claims and liabilities against the city and county of Honolulu, if any, which the department of education has, may have had, or may have in the future, regarding any injury, loss, cost, damage, or liability, including reasonable attorney's fees, concerning the physical, environmental, soil, economic, and legal conditions of the conveyed properties, are released, waived, and extinguished.

(d) Because the tax map numbers for parcels (2), (3), (5), (6), (7), (10), (11), (15), (16), (23), (24), (26), (27), (32), (38), (39), (40), (41), (42), (46), (47), (48), (50), (53), (54), (56), (58), (59), (61), (62), (63), (65), (67), (73), (74), and (83) under subsection (a) include an abutting city and county of Honolulu public park, the department of education and the city and county of Honolulu shall agree on the proposed property boundary separating the school and park portions of the properties. The department of education shall subdivide the foregoing parcels in accordance with the agreed upon property boundaries.

(e) Work to initiate the transfer of parcels identified in this Act shall start no later than December 31, 2018.

PART III

SECTION 3. Chapter 302A, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

“§302A- Property acquisition, use, and disposition. (a) The department may acquire or contract to acquire by grant or purchase any real, personal, or mixed property or any interest therein for its immediate or future use for public educational purposes, including lease revenues; and own, hold, improve, and rehabilitate any real, personal, or mixed property acquired, and sell, assign, exchange, transfer, convey, lease, or otherwise dispose of, or encumber the same; provided that the department shall incur all fees and costs associated with, and for, the subdividing of the land.

(b) The department may by itself, or in partnership with qualified persons, acquire, construct, reconstruct, rehabilitate, improve, alter, or repair any infrastructure or accessory facilities in connection with any project; and own, hold, sell, assign, transfer, convey, exchange, lease, or otherwise dispose of, or encumber any project.

(c) The department may lease or rent all or a portion of any real property acquired for public educational purposes and establish and revise the rents or charges therefor. The department shall not sell any property, real or personal, or any interest therein, except to a government entity.

(d) The department may insure or provide for the insurance of its property or operations against risks as it deems advisable.

(e) For purposes of this section:

“Land” or “property” includes vacant land or land with site improvements, whether partially or entirely finished in accordance with governmental subdivision standards, or with complete dwellings.

“Public educational purposes” includes any use of the property, including revenue generation, that would benefit the department's mission to provide public education to students in the State.

“Real property” includes lands, land under water, structures, and any agreed upon easements, franchises, and incorporeal hereditaments and every estate and right therein, legal and equitable, including terms for years and liens by way of judgment, mortgage, or otherwise.”

SECTION 4. Section 171-2, Hawaii Revised Statutes, is amended to read as follows:

“§171-2 Definition of public lands. “Public lands” means all lands or interest therein in the State classed as government or crown lands previous to August 15, 1895, or acquired or reserved by the government upon or subsequent to that date by purchase, exchange, escheat, or the exercise of the right of eminent domain, or in any other manner; including lands accreted after May 20, 2003, and not otherwise awarded, submerged lands, and lands beneath tidal waters that are suitable for reclamation, together with reclaimed lands that have been given the status of public lands under this chapter, except:

- (1) Lands designated in section 203 of the Hawaiian Homes Commission Act, 1920, as amended;
- (2) Lands set aside pursuant to law for the use of the United States;
- (3) Lands being used for roads and streets;
- (4) Lands to which the United States relinquished the absolute fee and ownership under section 91 of the Hawaiian Organic Act prior to the admission of Hawaii as a state of the United States unless subsequently placed under the control of the board of land and natural resources and given the status of public lands in accordance with the state constitution, the Hawaiian Homes Commission Act, 1920, as amended, or other laws;
- (5) Lands to which the University of Hawaii holds title;
- (6) Lands to which the Hawaii housing finance and development corporation in its corporate capacity holds title;
- (7) Lands to which the Hawaii community development authority in its corporate capacity holds title;
- (8) Lands to which the department of agriculture holds title by way of foreclosure, voluntary surrender, or otherwise, to recover moneys loaned or to recover debts otherwise owed the department under chapter 167;
- (9) Lands that are set aside by the governor to the Aloha Tower development corporation; lands leased to the Aloha Tower development corporation by any department or agency of the State; or lands to which the Aloha Tower development corporation holds title in its corporate capacity;
- (10) Lands that are set aside by the governor to the agribusiness development corporation; lands leased to the agribusiness development corporation by any department or agency of the State; or lands to which the agribusiness development corporation in its corporate capacity holds title; ~~and~~
- (11) Lands to which the Hawaii technology development corporation in its corporate capacity holds title; and
- (12) Lands to which the department of education holds title;

provided that, except as otherwise limited under federal law and except for state land used as an airport as defined in section 262-1, public lands shall include the air rights over any portion of state land upon which a county mass transit project is developed after July 11, 2005.”

SECTION 5. Section 171-64.7, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

“(a) This section applies to all lands or interest therein owned or under the control of state departments and agencies classed as government or crown lands previous to August 15, 1895, or acquired or reserved by the government upon or subsequent to that date by purchase, exchange, escheat, or the exercise of the right of eminent domain, or any other manner, including accreted lands not otherwise awarded, submerged lands, and lands beneath tidal waters that are suitable for reclamation, together with reclaimed lands that have been given the status of public lands under this chapter, including:

- (1) Land set aside pursuant to law for the use of the United States;
- (2) Land to which the United States relinquished the absolute fee and ownership under section 91 of the Organic Act prior to the admission of Hawaii as a state of the United States;
- (3) Land to which the University of Hawaii holds title;
- (4) Land to which the Hawaii housing finance and development corporation in its corporate capacity holds title;
- (5) Land to which the department of agriculture holds title by way of foreclosure, voluntary surrender, or otherwise, to recover moneys loaned or to recover debts otherwise owed the department under chapter 167;
- (6) Land that is set aside by the governor to the Aloha Tower development corporation; or land to which the Aloha Tower development corporation holds title in its corporate capacity;
- (7) Land that is set aside by the governor to the agribusiness development corporation; or land to which the agribusiness development corporation in its corporate capacity holds title; ~~and~~
- (8) Land to which the Hawaii technology development corporation in its corporate capacity holds title~~;~~; and
- (9) Land to which the department of education holds title.”

PART IV

SECTION 6. Lands conveyed under this Act shall contain a provision that shall allow the underlying fee simple interest in the property to revert back to the city and county of Honolulu if the land is not used for “public educational purposes”. For the purpose of this Act, “public educational purposes” shall include any use of the property, including revenue generation, that would benefit the department of education’s mission to provide public education to students in Hawaii.

SECTION 7. There is appropriated out of the general revenues of the State of Hawaii the sum of \$100,000 or so much thereof as may be necessary for fiscal year 2018-2019 as a grant-in-aid to the city and county of Honolulu to prepare, execute, and record the quitclaim deeds required by this Act.

The sum appropriated shall be expended by the city and county of Honolulu for the purposes of this Act.

SECTION 8. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.¹

SECTION 9. This Act shall take effect upon its approval; provided that section 7 shall take effect on July 1, 2018.

(Approved July 10, 2018.)

Note

1. Edited pursuant to HRS §23G-16.5.

ACT 211

S.B. NO. 2868

A Bill for an Act Relating to Taxation.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Chapter 237D, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

“§237D- Certificate of registration for transient accommodations broker, travel agency, and tour packager. Each transient accommodations broker, travel agency, or tour packager, as a condition precedent to entering into an arrangement to furnish transient accommodations at noncommissioned negotiated contract rates, shall register with the director. The transient accommodations broker, travel agency, or tour packager shall make a one-time payment of \$15 for each registration, upon receipt of which the director shall issue a certificate of registration in a form as the director determines, attesting that the registration has been made. The registration shall not be transferable and shall be valid only for the transient accommodations broker, travel agency, or tour packager in whose name it is issued.

The registration shall be effective until canceled in writing. Any application for the reissuance of a previously canceled registration identification number shall be regarded as a new application for registration and shall be subject to the payment of the one-time registration fee. The director may revoke or cancel any registration issued under this section for cause as provided by rule under chapter 91.”

SECTION 2. Section 237D-1, Hawaii Revised Statutes, is amended by amending the definition of “gross rental” or “gross rental proceeds” to read as follows:

““Gross rental” or “gross rental proceeds” means the gross receipts, cash or accrued, of the taxpayer received as compensation for the furnishing of transient accommodations or entering into arrangements to furnish transient accommodations and the value proceeding or accruing from the furnishing of [such] transient accommodations or entering into arrangements to furnish transient accommodations without any deductions on account of the cost of property or services sold, the cost of materials used, labor cost, taxes, royalties, interest, discounts, or any other expenses whatsoever. Every taxpayer shall be presumed to be dealing on a cash basis unless the taxpayer proves to the satisfaction of the department of taxation that the taxpayer is dealing on an accrual basis and the taxpayer’s books are so kept, or unless the taxpayer employs or is required to employ the accrual basis for the purposes of the tax imposed by chapter 237 for any taxable year in which event the taxpayer shall report the taxpayer’s gross income for the purposes of this chapter on the accrual basis for the same period.

The words “gross rental” or “gross rental proceeds” shall not be construed to include the amounts of taxes imposed by chapter 237 or this chapter on operators of transient accommodations, transient accommodations brokers, travel agencies, and tour packagers and passed on, collected, and received from the consumer as part of the receipts received as compensation for the furnishing of transient accommodations[-]. or entering into arrangements to furnish transient accommodations.

Where transient accommodations are furnished through arrangements made by a transient accommodations broker, travel agency, or tour packager at noncommissionable negotiated contract rates and the gross income is divided between the operator of transient accommodations on the one hand and the

transient accommodations broker, travel agency, or tour packager on the other hand, [gross rental or gross rental proceeds to the operator means only the respective portion allocated or distributed to the operator,] the tax imposed by this chapter shall apply to each operator and transient accommodations broker, travel agency, or tour packager with respect to that person's respective portion of the proceeds and no more.

For purposes of this definition, where the operator maintains a schedule of rates for identifiable groups of individuals, such as kamaainas, upon which the accommodations are leased, let, or rented, gross rental or gross rental proceeds means the receipts collected and received based upon the scheduled rates and recorded as receipts in its books and records.”

SECTION 3. Section 237D-2, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

“(b) Every transient accommodations broker, travel agency, and tour packager who arranges transient accommodations at noncommissioned negotiated contract rates and every operator shall pay to the State the tax imposed by subsection (a), as provided in this chapter.”

SECTION 4. Section 237D-15, Hawaii Revised Statutes, is amended to read as follows:

“**§237D-15 Application of tax.** (a) The tax imposed by this chapter shall be in addition to any other taxes imposed by any other laws of the State, except as otherwise specifically provided in this chapter; provided that if it be held by any court of competent jurisdiction that the tax imposed by this chapter may not legally be imposed in addition to any other tax or taxes imposed by any other law or laws with respect to the same property or the use thereof, then this chapter shall be deemed not to apply to such property and the use thereof under the specific circumstances, but the other laws shall be given full effect with respect to such property and use.

(b) In order to determine if the tax under this chapter is to be levied, assessed, and collected upon transient accommodations the following presumptions shall control.

- (1) If a person lets a transient accommodation for less than one hundred eighty consecutive days, it shall be presumed that the accommodation furnished is for a transient purpose.
- (2) If a person lets a transient accommodation for one hundred eighty days or more, there is no presumption one way or another as to the purpose for which the accommodation is furnished.

The operator shall have the burden of proving to the department whether an accommodation is not being furnished for a transient purpose. If the department is satisfied that an accommodation is not furnished for a transient purpose, then the department shall not levy any tax under this chapter. The department shall adopt rules to implement this section.

(c) Except as otherwise provided, this chapter shall apply to a transient accommodations broker, travel agency, or tour packager who enters into an agreement to furnish transient accommodations at noncommissioned negotiated contract rates in the same manner as it applies to an operator.”

SECTION 5. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.¹

SECTION 6. This Act shall take effect on July 1, 2018, and shall apply to taxable years beginning after December 31, 2018.

(Approved July 10, 2018.)

Note

1. Edited pursuant to HRS §23G-16.5.

ACT 212

S.B. NO. 2861

A Bill for an Act Relating to Public Safety.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. According to The Pew Center on the States, one in thirty-two adults in Hawaii is under correctional control. The legislature recognized that the financial, social, and economic costs of incarceration without adequate rehabilitation are staggering, and thus enacted Act 8, Special Session Laws of Hawaii 2007 (Act 8), also known as the Community Safety Act of 2007 and codified as chapter 353H, Hawaii Revised Statutes. Act 8 established a comprehensive offender reentry system under the purview of the department of public safety. One key component of Act 8 required the department of public safety to submit annual reports relating to the implementation, progress, and effectiveness of the various program components specified in Act 8.

While the department's annual report listed program activities and statistics, it did not include information on program outcomes. The legislature finds that use of performance indicators is an effective way to monitor and evaluate the progress of the comprehensive reentry system and to reflect the philosophical change to the department's approach to rehabilitation and reentry mandated by Act 8. Additionally, the legislature requires specific data to accurately assess programs and to continue to improve public policy.

The purpose of this Act is to:

- (1) Direct the department of public safety to establish key performance indicators or measures to be incorporated in reports that evaluate the outcomes of program components as required in Act 8; and
- (2) Require the department of public safety to submit specific program participation data annually to the legislature.

SECTION 2. Chapter 353H, Hawaii Revised Statutes, is amended by adding two new sections to be appropriately designated and to read as follows:

“§353H- Performance indicator reporting. (a) The department of public safety shall develop performance measures that accurately reflect progress toward specific goals, including:

- (1) Improving recidivism rates;
- (2) Decreasing prisoner assaults on correctional staff;
- (3) Reducing correctional staff turnover; and
- (4) Improving departmental efficiencies in staffing, budgeting, and data management and analysis.

(b) The department shall develop key performance indicators, which shall include:

- (1) The number of individuals enrolled in and who have completed a general education diploma or competency-based diploma;

- (2) The number of individuals for whom a reentry plan is filed and the number of individuals who exit jail or prison with a reentry plan;
- (3) Drug test failure rates of inmates while incarcerated and while on parole;
- (4) The number of inmates currently enrolled in and who have completed drug treatment programs provided by the department of public safety;
- (5) The number of inmates currently enrolled in and who have completed restorative circles;
- (6) The number of parolees who have applied for a reduction of their minimum sentence, the number of applications approved and denied, and, when applicable, the reasons for the denial of a parolee's application;
- (7) The number of parole revocation hearings and the results of parole revocation hearings that, when applicable, explain why the parolees' revocation was denied;
- (8) The cost of incarceration per inmate, per day, per facility;
- (9) Offender demographics, including gender, race, age, and type of offense;
- (10) The number of individuals who received vocational training or rehabilitation services and type of vocational training or rehabilitation services received;
- (11) The total number of inmate intakes, by month, including the number of intakes each month within the past year and past five years;
- (12) The total number of inmates released, by month;
- (13) The number of inmates with substance abuse problems, including the type of dependence or addiction, and the number of inmates with no reported substance abuse problems;
- (14) The median length of incarceration, excluding inmates who have received life sentences or been paroled;
- (15) The prison population forecast for the next decade;
- (16) The total number of pretrial detainees and the number of pretrial detainees admitted each month by type of crime, bail amount, risk assessed, gender, race, and age;
- (17) The number of pretrial detainees released or discharged each month and the reason for the release or discharge by type of crime, bail amount, risk assessed, gender, race, and age;
- (18) The average length of stay for pretrial detainees by reason for release or discharge, type of crime, bail amount, risk assessed, gender, race, and age;
- (19) The number of pretrial detainees held on cash bail by type of crime, bail amount, risk assessed, gender, race, and age;
- (20) The average amount of time for completing and verifying pretrial risk assessment by type of crime, bail amount, risk assessed, gender, race, and age; and
- (21) The number of pretrial detainees readmitted by reason for release, reason for readmission, type of crime, bail amount, risk assessed, gender, race, and age.

§353H- Annual reporting requirements. (a) For each program established pursuant to this chapter, the department shall submit a report to the legislature no later than the first day of December each year, beginning with the period ending on November 30, 2018. Each report shall reference key performance indicators that track rehabilitation and reentry efforts for individuals being prepared to exit the correctional system. The report shall also include:

- (1) A complete list of programs offered;
- (2) The length of each program;
- (3) Each program's success rate, including the percentage of participant completion in the previous two years;
- (4) A description of participant criteria assessed by the program for admittance;
- (5) The number of available positions with each program;
- (6) The number of potential participants on waiting lists;
- (7) The number of participants who do not complete the program;
- (8) A summary of reasons why participants do not complete a program; and
- (9) A complete list of programs that are no longer offered and explanations for termination of the programs.

(b) The department shall also submit a report, including all of the key performance indicators provided under this chapter, to the legislature no later than the first day of December each year, beginning with the period ending on November 30, 2018.

(c) The department shall also post the reports electronically on the department's website in a timely manner."

SECTION 3. Section 353G-13, Hawaii Revised Statutes, is amended by amending subsection (c) to read as follows:

"(c) The department of public safety, in conjunction with the department of health, shall report on an annual basis to the legislature and to the governor, its findings concerning the need for and implementation of the various provisions of this chapter. The report shall include information collected under subsection (a) and a synopsis of information or data necessary to determine the impact, utility, and cost-benefits of the provisions of this chapter. The report shall also include:

- (1) A complete list of programs offered;
- (2) The length of each program;
- (3) Each program's success rate, including the percentage of participant completion in the previous two years;
- (4) A description of participant criteria assessed by the program for admittance;
- (5) The number of available positions with each program;
- (6) The number of potential participants on waiting lists;
- (7) The number of participants who do not complete the program;
- (8) A summary of common reasons why participants do not complete a program; and
- (9) A complete list of programs no longer offered, with explanations for termination of the programs.

The department shall also post the reports electronically on the department's website in a timely manner."

SECTION 4. New statutory material is underscored.¹

SECTION 5. This Act shall take effect upon its approval.

(Approved July 10, 2018.)

Note

1. Edited pursuant to HRS §23G-16.5.

A Bill for an Act Relating to Automatic Restraining Orders.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that family court congestion can be reduced by providing for orders that automatically take effect when parties file for divorce. In California and Massachusetts, for example, automatic orders prevent parties from disposing of or hiding assets and help to create a level playing field for unrepresented parties. The legislature further finds that unless one is knowledgeable about initiating a motion for a restraining order under section 580-10, Hawaii Revised Statutes, an unrepresented party is often unaware of the party's rights and obligations to maintain the status quo until a court hearing can be held. Moreover, those who have superior financial means may use their wealth to pressure those who have lesser financial means to settle for less than they are entitled to.

Nothing in this Act is intended to supersede any existing order entered pursuant to chapter 586, Hawaii Revised Statutes, or any similar domestic abuse protective order.

SECTION 2. Chapter 580, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

“§580- Automatic restraining order. (a) Notwithstanding section 580-10, each party to a complaint for annulment, divorce, or separation shall automatically be subject to a restraining order that shall be effective with regard to the plaintiff upon the filing of the complaint and with regard to the defendant upon service of the summons and complaint or any other acceptance of service by the defendant. The restraining order shall specify that:

- (1) Neither party shall sell, transfer, encumber, conceal, assign, remove, or in any way dispose of any property, real or personal, belonging to or acquired by either party, except as:
 - (A) Required for reasonable expenses of living;
 - (B) Occurring in the ordinary and usual course of business;
 - (C) Required for payment of reasonable attorney's fees and costs in connection with the action;
 - (D) Occurring pursuant to a written agreement of both parties; or
 - (E) Required by order of the court;
- (2) Neither party shall incur any further debts that would burden the credit of the other party, including but not limited to further borrowing against any credit line secured by the marital residence or unreasonably using credit cards or cash advances against credit or bank cards; provided that this paragraph shall not apply to reasonable amounts of debt necessary for living and business expenses, including child educational expenses and reasonable litigation fees and costs for the pending action;
- (3) Neither party shall directly or indirectly change the beneficiary of any life insurance policy, pension or retirement plan, or pension or retirement investment account, except with the written consent of the other party or by order of the court;
- (4) Neither party shall directly or indirectly cause the other party or a minor child to be removed from coverage under an existing insurance policy, including medical, dental, life, automobile, and disabil-

ity insurance. The parties shall maintain all insurance coverage in full force and effect; and

- (5) Neither party shall remove a minor child of the parties from the island of that child's current residence nor remove a minor child of the parties from the school that child is currently attending.

(b) After service of the complaint for annulment, divorce, or separation, the defendant may file a motion to set aside or modify the restraining order and may choose to file the motion without submitting to the jurisdiction of the court. The court shall proceed to hear and determine the motion as expeditiously as possible.

(c) It is a defense to any enforcement action under this section that an act of domestic abuse as defined in section 586-1 has occurred.

(d) Any sanction for any violation of this section shall remain within the discretion of the court, which shall take into account any instance of domestic abuse and the best interests of the child for violations of subsection (a)(5).

(e) The restraining order shall remain in effect during the pendency of the action, unless it is modified by agreement of the parties or by further order of the court.

(f) The provisions of the restraining order shall be issued by the family court and a copy thereof shall be served with every complaint to which it applies. If service is by publication, the public notice shall include a statement that a restraining order has been issued by the court. The provisions of the restraining order need not be reprinted in the public notice.

(g) The restraining order shall be vacated upon the entry of an annulment, divorce, or separation decree.

(h) An automatic restraining order shall not be imposed under this section if a written order was previously imposed under this chapter for a similar purpose."

SECTION 3. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

SECTION 4. New statutory material is underscored.¹

SECTION 5. This Act shall take effect on July 1, 2018.

(Became law on July 10, 2018, without the governor's signature, pursuant to Art. III, §16, State Constitution.)

Note

1. Edited pursuant to HRS §23G-16.5.

ACT 214

H.B. NO. 1646

A Bill for an Act Relating to Members of Congress.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that the United States Congress operates on a seniority system of granting privileges to its members (senators and representatives) who have served the longest. Those privileges range from the selection of members' offices to committee assignments. In addition, members

with a longer term of service on a committee assume senior status and wield more power in the committee. Seniority is also often considered in awarding committee chair positions.

The legislature further finds that it is in the best interest of the State for Hawaii's congressional delegation to accumulate seniority in office as quickly as possible to ensure that the delegation can successfully represent Hawaii's citizens. One possibility of assisting Hawaii's delegation in rapidly building seniority would be to automatically appoint newly-elected United States senators to office immediately if the incumbent vacates the office after the general election but prior to the end of the incumbent's term, which is January 3 as established under Section 1 of the Twentieth Amendment to the United States Constitution. Under those circumstances, an automatic procedure would be in place to ensure that Hawaii's newly-elected United States senators will assume office earlier than newly-elected senators from other states who must wait for the incumbent's term to expire.

The purpose of this Act is to establish an automatic procedure that allows Hawaii's newly-elected United States senators, under certain circumstances, to begin their terms of office with greater seniority that maximizes their ability to represent this State, by providing that when a candidate other than the incumbent is elected to the office of United States senator, and the incumbent vacates the office prior to the expiration of the incumbent's term, the governor must appoint the member-elect to immediately fill the vacancy.

SECTION 2. Section 17-1, Hawaii Revised Statutes, is amended to read as follows:

“§17-1 United States senator. ~~[When]~~ (a) Except as provided in subsection (b), when a vacancy occurs in the office of United States senator, the vacancy shall be filled for the unexpired term at the following state general election; provided that the vacancy occurs not later than 4:30 p.m. on the twenty-first day prior to the date specified in section 12-6 for the close of filing nomination papers for regularly scheduled elections; otherwise at the state general election next following. The chief election officer shall issue a proclamation designating the election for filling the vacancy. All candidates for the unexpired term shall file nomination papers not later than the date and time specified in section 12-6 and shall be nominated and elected in accordance with this title. Pending the election, the governor shall make a temporary appointment to fill the vacancy by selecting a person from a list of three prospective appointees submitted by the same political party as the prior incumbent. The appointee shall serve until the election and qualification of the person duly elected to fill the vacancy and shall be, at the time of appointment, and shall have been, for at least six months immediately prior to the appointment, a member of the same political party as the prior incumbent. The appointee shall be a resident of the State. If the prior incumbent was not a member of any political party, the governor shall appoint a person who is not and has not been, for at least six months immediately prior to the appointment, a member of any political party.

(b) Subsection (a) notwithstanding, when:

- (1) A candidate other than the incumbent is duly elected to the office of United States senator at a general election; and
- (2) The incumbent vacates the office at any time following the general election but prior to the expiration of the incumbent's term of office;

the governor, no later than the business day following receipt of official notice of the vacancy, shall temporarily appoint the person duly elected to succeed the incumbent to immediately fill the vacancy for the unexpired term.”

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect upon its approval.

(Became law on July 10, 2018, without the governor’s signature, pursuant to Art. III, §16, State Constitution.)

ACT 215

H.B. NO. 2601

A Bill for an Act Relating to Transportation.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that traffic congestion is a serious problem that negatively affects the quality of life for residents and visitors in Hawaii. Congestion on the State’s roadways continues to increase, forcing people to spend more time sitting in vehicles and less time being productive at work or with families and friends.

The legislature also finds that visitors make up a large proportion of public highway users.

The legislature believes that it is prudent to target this group of highway users to raise revenue for capital improvements to Hawaii’s highways, which will relieve congestion and improve the quality of life for both residents and visitors.

The purpose of this Act is to use additional fees from the rental of motor vehicles to fund projects to increase highway capacity and relieve traffic congestion.

Specifically, this Act:

- (1) Increases the rental motor vehicle surcharge tax for lessees without a valid Hawaii driver’s license by \$2 for each day, or portion of a day, that a rental motor vehicle is rented;
- (2) Requires that the revenues from the increase in motor vehicle surcharge tax be expended for state highway road capacity projects in the county in which the rental motor vehicle was operated under the rental or lease agreement; and
- (3) Increases the tour vehicle surcharge tax by \$1 for each category of tour vehicle.

SECTION 2. Section 248-9, Hawaii Revised Statutes, is amended to read as follows:

“§248-9 State highway fund. (a) Moneys in the state highway fund may be expended for the following purposes:

- (1) To pay the costs of operation, maintenance, and repair of the state highway system, including without limitation, the cost of equipment and general administrative overhead;
- (2) To pay the costs of acquisition (including real property and interests therein), planning, designing, construction, and reconstruction of the state highway system and bikeways, including, without limitation, the cost of equipment and general administrative overhead;

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- (3) To reimburse the general fund for interest on and principal of general obligation bonds issued to finance highway projects where the bonds are designated to be reimbursable out of the state highway fund; and
 - (4) To pay the costs of construction, maintenance, and repair of county roads; provided that none of the funds expended on a county road or program shall be federal funds when such expenditure would cause a violation of federal law or a federal grant agreement.
- (b) At any time, the director of transportation may transfer from the state highway fund all or any portion of available moneys determined by the director of transportation to exceed one hundred thirty-five per cent of the requirements for the ensuing twelve months for the state highway fund as permitted by and in accordance with section 37-53. For purposes of the determination, the director of transportation shall take into consideration:
- (1) The amount of federal funds and bond funds on deposit in, and budgeted to be expended from, the state highway fund during the period;
 - (2) Amounts on deposit in the state highway fund that are encumbered or otherwise obligated;
 - (3) Budgeted amounts payable from the state highway fund during the period;
 - (4) Revenues anticipated to be received by and expenditures to be made from the state highway fund during the period based on existing agreements and other information for the ensuing twelve months; and
 - (5) Any other factors as the director of transportation shall deem appropriate.
- (c) The department of transportation shall establish county subaccounts within the state highway fund. Notwithstanding subsections (a) and (b), funds in each county subaccount shall be expended for state highway road capacity projects in the respective county.

For purposes of this subsection, "state highway road capacity project" means construction:

- (1) Of a new road;
- (2) To widen or add additional lanes to an existing road; or
- (3) That increases the number of vehicles that may be driven on an island and alleviates the level of traffic congestion on existing roads of that island.

and any planning, design, or right-of-way acquisition related to the construction."

SECTION 3. Section 251-2, Hawaii Revised Statutes, is amended to read as follows:

"§251-2 Rental motor vehicle and tour vehicle surcharge tax. (a) There is levied and shall be assessed and collected each month a rental motor vehicle surcharge tax of [~~\$7.50 a day, except that after June 30, 2012, the tax shall be~~] \$3 a day, or any portion of a day that a rental motor vehicle is rented or leased[-]; provided that lessees without a valid Hawaii driver's license shall be assessed an additional \$2 a day, or any portion of a day that a rental motor vehicle is rented or leased. The rental motor vehicle surcharge tax shall be levied upon the lessor; provided that the tax shall not be levied on the lessor if:

- (1) The lessor is renting the vehicle to replace a vehicle of the lessee that is being repaired; and

- (2) A record of the repair order for the vehicle is retained either by the lessor for two years for verification purposes or by a motor vehicle repair dealer for two years as provided in section 437B-16.

In addition to the requirements imposed by section 251-4, a lessor shall disclose, to the department, the portion of the remittance attributed to the county in which the motor vehicle was operated under rental or lease.

Of the remittances collected pursuant to this subsection, \$2 per day or portion of a day from each lessee without a valid Hawaii driver's license shall be deposited into the state treasury to the credit of the respective county sub-account of the state highway fund, established pursuant to section 248-9(c), that corresponds to the county in which the rental motor vehicle was driven under rental or lease.

(b) There is levied and shall be assessed and collected each month a tour vehicle surcharge tax of:

- (1) [~~\$65~~] \$66 for each tour vehicle used or partially used during the month that falls into the over twenty-five passenger seat category; and
- (2) [~~\$15~~] \$16 for each tour vehicle used or partially used during the month that falls into the eight to twenty-five passenger seat category.

The tour vehicle surcharge tax shall be levied upon the tour vehicle operator.”

SECTION 4. Section 251-5, Hawaii Revised Statutes, is amended to read as follows:

“§251-5 Remittances. All remittances of surcharge taxes imposed under this chapter shall be made by cash, bank draft, cashier's check, money order, or certificate of deposit to the office of the taxation district to which the return was transmitted. The department shall deposit the moneys into the state treasury to the credit of the state highway fund~~[-]~~; provided that user fee revenues that are levied, assessed, and collected pursuant to section 251-2(a) from lessees without a valid Hawaii drivers license shall be deposited in accordance with section 248-9(c).”

SECTION 5. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 6. This Act shall take effect on January 1, 2019.

(Became law on July 10, 2018, without the governor's signature, pursuant to Art. III, §16, State Constitution.)

ACT 216

H.B. NO. 1876

A Bill for an Act Relating to Motor Vehicle Insurance.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that existing language in the State's motor vehicle insurance code requires insurers to maintain a “brick and mortar” sales and claims service office. When originally written, the code did not envision the Internet, cellular smart phones, or computerization. Today, many of the functions once done in a physical office are being met through mobile smart phone or internet technology. Insureds can now go on their mobile device

and purchase motor vehicle insurance or file a claim. Consequently, in 2016, the legislature passed legislation allowing electronic insurance cards, in addition to paper insurance cards, to be used as proof of insurance for motor vehicles, motorcycles, and motor scooters. The legislature finds that this modernization trend can be extended to sales and claims handling for motor vehicle insurers while still ensuring appropriate protections for consumers. Moreover, easing the sales and claims office requirements under the motor vehicle insurance code will bring the motor vehicle insurance code in line with the statutory requirements for other types of insurers, such as other property and casualty line insurers, in the State. Accordingly, the purpose of this Act is to allow licensed producers of motor vehicle insurers to satisfy the requirement that insurers provide a complete sales and claims office in the State.

SECTION 2. Section 431:10C-119, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

“(a) Prior to licensing an insurer to transact a motor vehicle insurance business in this State, the commissioner:

- (1) Shall effect a thorough examination of the insurer’s business experience, financial soundness, and general reputation as an insurer in this and other states. In the discretion of the commissioner, this examination may include an examination of any or all of the business records of the insurer, and an audit of all or any part of the insurer’s motor vehicle insurance business, each to be performed by the commissioner’s staff or by independent consultants. No license shall be issued until the commissioner is satisfied as to the business experience, financial solvency, and the economic soundness of the insurer;
- (2) Except for a member-owned reciprocal insurer and its wholly owned insurer subsidiaries, as specified in subsection (c), shall require of each insurer, and determine that satisfactory arrangements have been made for, the provision of a complete sales and claims service office in the State; provided that the establishment and maintenance of an office by licensed producers of an insurer in every county the insurer does business shall meet the requirements of this paragraph; and
- (3) Notwithstanding any other requirements of this section or of the insurance code, may require a bond in a reasonable amount and with deposits or sureties determined in the commissioner’s discretion of any applicant for a license hereunder. The commissioner may, at any time, make and enforce such a requirement of any licensed insurer or self-insurer.”

SECTION 3. New statutory material is underscored.

SECTION 4. This Act shall take effect on July 1, 2018.

(Became law on July 10, 2018, without the governor’s signature, pursuant to Art. III, §16, State Constitution.)

ACT 217

S.B. NO. 2461

A Bill for an Act Relating to Service Animals.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that there is a growing problem with people fraudulently representing untrained animals as service dogs. This has re-

sulted in legitimate service dogs being needlessly distracted or even attacked by untrained dogs or other animals, as well as in violations of the food and sanitation code. Currently, there is no legal consequence for misrepresenting a pet dog or other animal as a service animal.

The legislature further finds that, generally, a service animal is a dog that is individually trained to work or perform tasks for people with disabilities. The work or task that a service animal has been trained to provide must be directly related to a person's disability. The legislature affirms that a dog or other animal whose sole function is to provide companionship, comfort, or emotional support does not qualify as a service dog under chapter 347, Hawaii Revised Statutes, or the Americans with Disabilities Act of 1990 (ADA).

The legislature additionally finds that a penalty for misrepresentation of a dog or other animal as a service animal will discourage people from fraudulently representing their pets as service animals in order to bring the animals into restaurants, supermarkets, and other inappropriate locations. The legislature also finds that statutory penalties will also discourage persons from fraudulently misrepresenting a pet animal as a service animal in order to gain housing amenities which, but for otherwise lawful restrictions on pet ownership, would not be available to residents of a dwelling or building. The legislature finds that such penalties are not inconsistent with the spirit of the ADA. The legislature also finds that an appropriate definition of "service animal" will help businesses and other organizations to comply with the law.

It is not the legislature's intent to undermine the valuable purpose and goals of the ADA or other applicable state or federal laws. The United States Department of Justice has issued guidance on the questions that can be asked of a person to determine if a dog is a bona fide service dog, suggesting that it does not violate the ADA to ask questions concerning the specific and appropriate training of a particular dog being presented as a service animal. The legislature further recognizes that more than fifteen states currently prohibit misrepresentation of a service animal by means of civil or criminal penalties, or both.

The purpose of this Act is to:

- (1) Establish a civil penalty for fraudulently representing an animal as a service animal; and
- (2) Establish a definition of "service animal" that more closely conforms with the Americans with Disabilities Act of 1990, as amended.

SECTION 2. Chapter 347, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

“§347- Misrepresentation of a service animal; civil penalty. (a) It shall be unlawful for a person to knowingly misrepresent as a service animal any animal that does not meet the requirements of a service animal as defined in section 347-2.5.

(b) Upon a finding of clear and convincing evidence, a person who violates subsection (a) shall be fined not less than \$100 and not more than \$250 for the first violation, and not less than \$500 for a second violation and each violation thereafter.

(c) Nothing in this section shall preclude any other civil remedies available to a person, entity, or other organization arising from misrepresentation by another person of a service animal.”

SECTION 3. Section 142-5.5, Hawaii Revised Statutes, is amended to read as follows:

“§142-5.5 **Service [dogs:] animals.** Any person with a disability who uses the services of a service [dog:] animal, as defined in section 347-2.5, shall be permitted to reside on site for the duration of quarantine, if housing is available.”

SECTION 4. Section 347-2.5, Hawaii Revised Statutes, is amended to read as follows:

“~~[[§347-2.5]]~~ **Service [dog:] animal, defined.** As used in this chapter, “service [dog:] animal” means any dog that is individually trained to do work or perform tasks for the benefit of an individual with a disability, including a physical, sensory, psychiatric, intellectual, or other mental disability. ~~[A companion or comfort animal is not a service dog unless it meets the requirements of this definition and it accompanies a person for the purpose of performing the work or tasks for which it has been trained.]~~ Other species of animals, whether wild or domestic, trained or untrained, are not service animals for the purposes of this definition. The work or tasks performed by a service animal must relate directly to the individual’s disability. Neither the potential crime deterrent effects of an animal’s presence nor the provision of emotional support, comfort, or companionship by an animal constitutes work or tasks for the purposes of this definition.”

SECTION 5. Section 347-13, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

“(b) Every person who is blind, deaf, visually handicapped, or otherwise disabled shall have the right to be accompanied by a service [dog:] animal, especially trained for the purpose of assisting the person in any of the places listed in subsection (a) without being required to pay an extra charge for the service [dog:] animal; provided that the person shall be liable for any damage done to the premises or facilities by the service [dog:] animal. No service [dog:] animal shall be considered dangerous merely because it is unmuzzled.”

SECTION 6. Section 347-19, Hawaii Revised Statutes, is amended to read as follows:

“§347-19 **Rights of blind; partially blind.** A blind or visually handicapped person not carrying a cane or using a service [dog:] animal in any of the places, accommodations or conveyances listed in section 347-13, shall have all of the rights and privileges conferred by law upon other persons, and the failure of a blind or visually handicapped person to carry a cane or to use a service [dog:] animal in any such places, accommodations, or conveyances shall not constitute nor be evidence of negligence.”

SECTION 7. Section 489-2, Hawaii Revised Statutes, is amended by adding a new definition to be appropriately inserted and to read as follows:

““Service animal” means the same as defined in section 347-2.5.”

SECTION 8. Section 489-3, Hawaii Revised Statutes, is amended to read as follows:

“§489-3 **Discriminatory practices prohibition.** Unfair discriminatory practices that deny, or attempt to deny, a person the full and equal enjoyment of the goods, services, facilities, privileges, advantages, and accommodations of a place of public accommodation on the basis of race[;] sex, including gender

identity or expression[;]; sexual orientation[;]; color[;]; religion[;]; ancestry[;]; or disability, including the use of a service animal, are prohibited.”

SECTION 9. Section 711-1109.4, Hawaii Revised Statutes, is amended as follows:

1. By amending its title and subsection (1) to read:

“§711-1109.4 Causing injury or death to a service [dog] animal or law enforcement animal. (1) A person commits the offense of causing injury or death to a service [dog] animal or law enforcement animal if:

- (a) The person recklessly causes substantial bodily injury to or the death of any service [dog] animal or law enforcement animal while the service [dog] animal or law enforcement animal is in the discharge of its duties; or
- (b) The person is the owner of a dog and recklessly permits that dog to attack a service [dog] animal or law enforcement animal while the service [dog] animal or law enforcement animal is in the discharge of its duties, resulting in the substantial bodily injury or death of the service [dog] animal or law enforcement animal.”

2. By amending subsections (3) to (5) to read:

“(3) Any person who commits the offense of causing injury or death to a service [dog] animal or law enforcement animal shall be guilty of a class C felony.

(4) In addition to any other penalties, any person who is convicted of a violation of this section shall be ordered to make restitution to:

- (a) The owner of the service [dog] animal or law enforcement animal for any veterinary bills and out-of-pocket costs incurred as a result of the injury to the service [dog] animal or law enforcement animal; and
- (b) The person, entity, or organization that incurs the cost of retraining or replacing the service [dog] animal or law enforcement animal for the cost of retraining or replacing the service [dog] animal or law enforcement animal if it is disabled or killed.

(5) As used in this section “service [dog] animal” shall have the same meaning as in section 347-2.5.”

SECTION 10. Section 711-1109.5, Hawaii Revised Statutes, is amended as follows:

1. By amending its title and subsection (1) to read:

“§711-1109.5 Intentional interference with the use of a service [dog] animal or law enforcement animal. (1) A person commits the offense of intentional interference with the use of a service [dog] animal or law enforcement animal if the person, with no legal justification, intentionally or knowingly strikes, beats, kicks, cuts, stabs, shoots, or administers any type of harmful substance or poison to a service [dog] animal or law enforcement animal while the service [dog] animal or law enforcement animal is in the discharge of its duties.”

2. By amending subsections (3) and (4) to read:

“(3) Intentional interference with the use of a service [dog] animal or law enforcement animal is a misdemeanor.

(4) In addition to any other penalties, any person who is convicted of a violation of this section shall be ordered to make restitution to:

- (a) The owner of the service [dog] animal or law enforcement animal for any veterinary bills and out-of-pocket costs incurred as a result

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of the injury to the service ~~[dog]~~ animal or law enforcement animal;
and

- (b) The person, entity, or organization that incurs the cost of retraining or replacing the service ~~[dog]~~ animal or law enforcement animal for the cost of retraining or replacing the service ~~[dog]~~ animal or law enforcement animal, if it is disabled or killed.”

3. By amending subsection (6) to read:

“(6) As used in this section, “service ~~[dog]~~ animal” shall have the same meaning as in section 347-2.5.”

SECTION 11. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

SECTION 12. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.¹

SECTION 13. This Act shall take effect on January 1, 2019.

(Became law on July 10, 2018, without the governor’s signature, pursuant to Art. III, §16, State Constitution.)

Note

1. Edited pursuant to HRS §23G-16.5.

ACT 218

H.B. NO. 2589

A Bill for an Act Relating to Motorcycles.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Chapter 291C, Hawaii Revised Statutes, is amended by adding a new section to part V to be appropriately designated and to read as follows:

“§291C- **Driving on designated shoulder; two-wheeled motorcycles.** (a) The department of transportation, in its sole discretion, may designate one or more shoulders upon which the department of transportation may authorize the driving of two-wheeled motorcycles; provided that:

- (1) Any shoulder so designated shall be the shoulder of a roadway with at least two lanes for vehicular traffic moving in the same direction;
- (2) The department of transportation shall not authorize:
 - (A) Drivers of two-wheeled motorcycles to maneuver their vehicles onto a shoulder unless vehicular traffic on the roadway is stopped as a result of a marked or unmarked intersection or congestion;
 - (B) The driving of two-wheeled motorcycles upon a shoulder:
 - (i) At any speed exceeding ten miles per hour; or
 - (ii) In a direction other than the direction of vehicular traffic in the adjacent roadway; or
 - (C) Drivers of two-wheeled motorcycles to make any turn from any shoulder;

- (3) The department of transportation may impose additional restrictions on the maneuvering and driving of two-wheeled motorcycles onto and upon designated shoulders, including restrictions that are more stringent than those described in paragraph (2); and
- (4) The department of transportation shall clearly mark any designated shoulder with appropriate official traffic-control devices, including traffic-control devices that indicate the:
 - (A) Points along the shoulder at which two-wheeled motorcycles may begin to enter the shoulder and shall begin to exit the shoulder; and
 - (B) Maximum speed at which two-wheeled motorcycles may be driven in the shoulder.
- (b) The following conditions shall apply to any driver of a two-wheeled motorcycle maneuvering onto or driving upon a shoulder specifically designated by the department of transportation pursuant to subsection (a):
 - (1) The driver shall not maneuver the motorcycle onto a designated shoulder until vehicular traffic on the roadway has been stopped as a result of a marked or unmarked intersection or congestion;
 - (2) Unless otherwise prohibited by an official traffic-control device, the driver may traverse lanes on the roadway to the extent necessary to maneuver the motorcycle onto the designated shoulder; provided that the driver shall yield to oncoming traffic when other vehicles on the roadway begin to move forward;
 - (3) The driver shall not make any turn from the shoulder;
 - (4) Subject to paragraph (5), the driver shall exit the shoulder:
 - (A) When vehicles in the adjacent traffic lane that the driver was previously using begin to move forward; or
 - (B) At any point so designated by an official traffic-control device;
 - (5) When exiting the shoulder, the driver shall yield to oncoming traffic and maneuver the driver's vehicle completely into the adjacent lane as soon as it is safe to do so;
 - (6) The driver shall use turn signals provided for in section 291C-85 while entering, exiting, or driving upon a shoulder in the same manner that the driver would be required to use the signals while driving in or changing lanes; and
 - (7) The driver shall obey all other traffic laws and official traffic-control devices."

SECTION 2. Section 291C-43, Hawaii Revised Statutes, is amended to read as follows:

“[§291C-43] Overtaking a vehicle on the left. The following rules shall govern the overtaking and passing of vehicles proceeding in the same direction, subject to those limitations, exceptions, and special rules hereinafter stated:

- (1) The driver of a vehicle overtaking another vehicle proceeding in the same direction shall pass to the left thereof at a safe distance and shall not again drive to the right side of the roadway until safely clear of the overtaken vehicle[.];
- (2) Except when overtaking and passing on the right is permitted, the driver of an overtaken vehicle shall give way to the right in favor of the overtaking vehicle on audible signal and shall not increase the speed of the driver's vehicle until completely passed by the overtaking vehicle[.]; and

- (3) The driver of a two-wheeled motorcycle may overtake a stopped vehicle by maneuvering onto and driving upon a designated shoulder in a manner pursuant to section 291C- (b)."

SECTION 3. Section 291C-44, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) The driver of a vehicle may overtake and pass upon the right of another vehicle only under the following conditions:

- (1) When the vehicle overtaken is making or about to make a left turn;
- (2) Upon a street or highway with unobstructed pavement not occupied by parked vehicles of sufficient width for and with lanes marked for two or more lines of moving vehicles in each direction;
- (3) Upon a one-way street, or upon any roadway on which traffic is restricted to one direction of movement, where the roadway is free from obstructions and of sufficient width for two or more lines of moving vehicles[-]; or
- (4) When the driver of a two-wheeled motorcycle overtakes a stopped vehicle by maneuvering onto and driving upon a designated shoulder in a manner pursuant to section 291C- (b)."

SECTION 4. Section 291C-49, Hawaii Revised Statutes, is amended to read as follows:

~~§291C-49~~ Driving on roadways laned for traffic. Whenever any roadway has been divided into two or more clearly marked lanes for traffic the following rules in addition to all others consistent herewith shall apply[-]:

- (1) A vehicle shall be driven as nearly as practicable entirely within a single lane and shall not be moved from the lane until the driver has first ascertained that such movement can be made with safety[-];
- (2) Upon a roadway which is divided into three lanes and provides for two-way movement of traffic, a vehicle shall not be driven in the center lane except when overtaking and passing another vehicle traveling in the same direction when the center lane is clear of traffic within a safe distance, or in preparation for making a left turn or where the center lane is at the time allocated exclusively to traffic moving in the same direction that the vehicle is proceeding and such allocation is designated by official traffic-control devices[-];
- (3) Official traffic-control devices may be erected directing specified traffic to use a designated lane or designating those lanes to be used by traffic moving in a particular direction regardless of the center of the roadway and drivers of vehicles shall obey the directions of every such sign[-] device; and
- (4) Official traffic-control devices may be installed prohibiting the changing of lanes on sections of roadway and drivers of vehicles shall obey the directions of every such device[-];

provided that this section shall not be construed to prohibit the maneuvering and driving of a two-wheeled motorcycle onto and upon a designated shoulder in a manner pursuant to section 291C- (b)."

SECTION 5. Section 291C-125, Hawaii Revised Statutes, is amended to read as follows:

§291C-125 Opening and closing vehicle doors[-]; protruding objects; line of travel. (a) No person shall open the door of a motor vehicle on the side avail-

able to moving traffic unless and until it is reasonably safe to do so, and can be done without interfering with, or causing immediate hazard to the movement of other traffic, nor shall any person leave a door open on the side of a vehicle available to moving traffic for a period of time longer than necessary to load or unload passengers.

(b) No person shall open a door of a motor vehicle or extend or allow any object to protrude out of or from a motor vehicle, or otherwise direct the course and line of travel of a motor vehicle, such that it:

(1) Interferes with or obstructs the movement of; or

(2) Endangers the lives and safety of the driver or passenger of, a two-wheeled motorcycle that is maneuvering onto or driving upon a designated shoulder pursuant to section 291C- (b).”

SECTION 6. Section 291C-153, Hawaii Revised Statutes, is amended by amending subsections (b) and (c) to read as follows:

“(b) The operator of a motorcycle shall not overtake and pass in the same lane occupied by the vehicle being overtaken[-]; provided that this subsection shall not be construed to prohibit the operator of a two-wheeled motorcycle from traversing lanes for the purpose of maneuvering onto a designated shoulder pursuant to section 291C- (b)(2).

(c) No person shall operate a motorcycle between lanes of traffic or between adjacent lines or rows of vehicles[-]; provided that this subsection shall not be construed to prohibit the operator of a two-wheeled motorcycle from traversing lanes for the purpose of maneuvering onto a designated shoulder pursuant to section 291C- (b)(2).”

SECTION 7. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

SECTION 8. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.¹

SECTION 9. This Act shall take effect on January 1, 2019; provided that on December 31, 2020, this Act shall be repealed and sections 291C-43, 291C-44, 291C-49, 291C-125, and 291C-153, Hawaii Revised Statutes, shall be reenacted in the form in which they read on the day before the effective date of this Act.

(Became law on July 10, 2018, without the governor’s signature, pursuant to Art. III, §16, State Constitution.)

Note

1. Edited pursuant to HRS §23G-16.5.

ACT 219

S.B. NO. 2027

A Bill for an Act Relating to Appropriations to Address Homelessness.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that the coordinated statewide homeless initiative provides important, cost-effective homelessness prevention and rapid rehousing services statewide and increases coordination through the state-

wide information and referral system on behalf of homeless individuals and those at risk of homelessness.

The coordinated statewide homeless initiative originated in April 2016 to help hundreds of families escape or avoid homelessness. According to Aloha United Way, since the program began, the program has helped more than one thousand four hundred households comprising four thousand eight hundred individuals. About three-quarters of households had been at risk of losing housing and the rest were already homeless. Of these numbers, sixty-four per cent included children.

Accordingly, the purpose of this Act is to appropriate moneys to continue and improve the coordinated statewide homeless initiative to prevent homelessness and rehouse homeless people in the State and to require the department of human services to procure services of a master contractor to manage subcontracts and expenditures for services provided through the initiative.

SECTION 2. (a) There is appropriated out of the general revenues of the State of Hawaii the sum of \$1,500,000 or so much thereof as may be necessary for fiscal year 2018-2019 to continue and improve the coordinated statewide homeless initiative.

(b) The following provisions shall apply to the appropriation under subsection (a):

- (1) The department of human services shall:
 - (A) Procure the services of a master contractor to procure and oversee subcontracts for the provision of coordinated statewide homeless initiative services, in accordance with chapter 103D or 103F, Hawaii Revised Statutes;
 - (B) Oversee the funds expended by the master contractor; and
 - (C) Develop policies and procedures for a fair and equitable procurement process for subcontracts made between the master contractor and subcontracted provider agencies which are consistent with the goals of public accountability and public procurement practices;
- (2) The master contractor shall:
 - (A) Operate a coalition of agencies providing homeless diversion services for the State by providing short-term financial assistance to households that have entered the eviction process;
 - (B) Coordinate with the coordinated entry system mandated by the United States Department of Housing and Urban Development to provide navigation services and placement of homeless households into permanent housing;
 - (C) At a minimum, provide quarterly reports to the house of representatives and senate committees on housing and human services, respectively;
 - (D) Develop reporting procedures and timelines for providing performance information to respective state agencies; and
 - (E) Be accountable for funds expended;
- (3) The master contractor may retain administrative fees up to fifteen per cent in total from the amounts paid under the master contract between the master contractor and subcontractors; and
- (4) The total sum of funding shall be provided at the start of the coordinated statewide homeless initiative program to be managed by the master contractor.

The sum appropriated shall be expended by the department of human services for the purposes of this Act.

SECTION 3. This Act shall take effect on July 1, 2018.

(Became law on July 10, 2018, without the governor's signature, pursuant to Art. III, §16, State Constitution.)

ACT 220

H.B. NO. 2071

A Bill for an Act Relating to Law Enforcement.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that it is the role of the State to oversee and regulate those professions and occupations that have a significant impact on society. The Hawaii Revised Statutes regulate private security guards. Law enforcement is another area in which the State should do more to provide statewide standards and uniformity.

The legislature further finds that the State and counties grant to police, sheriffs, and other law enforcement officers immense powers, such as the authority to search, arrest, and use deadly force. Hawaii is the only state in the country without any state-level regulation of police. Regulation is left to the counties. Hawaii is only one of a handful of states that does not establish minimum standards required to be a police officer and does not have any procedure for revoking a police officer's certification for serious misconduct.

The legislature further finds that the consequences of a lack of statewide oversight of police are a matter of serious public concern. Several recent incidents have highlighted a need for greater oversight. For example, a former Honolulu police officer was recently sentenced to prison for using unreasonable force to violate the civil rights of two men. In another incident, a Honolulu police sergeant was caught on video engaged in a violent physical fight in public with the police sergeant's girlfriend. In yet another example, the former chief of police of the city and county of Honolulu faces federal prosecution for alleged criminal violations. Numerous local media stories have reported on the Honolulu police commission's lack of power to implement meaningful disciplinary actions for its police officers.

The legislature further finds that the State must enact a law that certifies law enforcement officers to ensure the highest standards of professionalism, uniformity of standards, and accountability throughout our islands.

The purpose of this Act is to establish a law enforcement standards board for the certification of county police officers, state public safety officers, and employees of the departments of transportation, land and natural resources, attorney general, and taxation with police powers.

SECTION 2. The Hawaii Revised Statutes is amended by adding a new chapter to be appropriately designated and to read as follows:

**“CHAPTER
LAW ENFORCEMENT STANDARDS**

§ -1 **Definitions.** As used in this chapter, unless the context clearly indicates otherwise:

“Board” means the law enforcement standards board.

“Law enforcement officer” means:

- (1) A police officer employed by a county police department;

- (2) A public safety officer employed by the department of public safety; or
- (3) An employee of the department of transportation, department of land and natural resources, department of taxation, or department of the attorney general who is conferred by law with general police powers.

§ -2 Law enforcement standards board; establishment. (a) There is established the law enforcement standards board within the department of the attorney general for administrative purposes only. The purpose of the board shall be to provide programs and standards for training and certification of law enforcement officers. The law enforcement standards board shall consist of the following voting members: nine ex officio individuals, two law enforcement officers, and four members of the public.

- (1) The nine ex officio members of the board shall consist of the:
 - (A) Attorney general;
 - (B) Director of public safety;
 - (C) Director of transportation or the director's designee;
 - (D) Chairperson of the board of land and natural resources or chairperson's designee;
 - (E) Director of taxation or the director's designee; and
 - (F) Chiefs of police of the four counties;
- (2) The two law enforcement officers shall each have at least ten years of experience as a law enforcement officer and shall be appointed by the governor; and
- (3) The four members of the public shall consist of one member of the public from each of the four counties and shall be appointed by the governor. At least two of the four members of the public holding a position on the board at any given time shall:
 - (A) Possess a master's or doctorate degree related to criminal justice;
 - (B) Possess a law degree and have experience:
 - (i) Practicing in Hawaii as a deputy attorney general, a deputy prosecutor, deputy public defender, or private criminal defense attorney; or
 - (ii) Litigating constitutional law issues in Hawaii;
 - (C) Be a recognized expert in the field of criminal justice, policing, or security; or
 - (D) Have work experience in a law enforcement capacity; provided that experience in a county police department shall not itself be sufficient to qualify under this paragraph.

(b) The law enforcement officers and the members of the public on the board shall serve for a term of three years, provided that the initial terms shall be staggered, as determined by the governor.

(c) The law enforcement officers and the members of the public on the board shall receive no salary for their duties as members of the board, but shall be entitled to reimbursement for expenses, including travel expenses, necessary for the performance of their duties as board members.

§ -3 Powers and duties of the board. The board shall:

- (1) Adopt rules in accordance with chapter 91 to implement this chapter;

- (2) Establish minimum standards for employment as a law enforcement officer and to certify persons to be qualified as law enforcement officers;
- (3) Establish criteria and standards in which a person who has been denied certification, whose certification has been revoked by the board, or whose certification has lapsed may reapply for certification;
- (4) Establish minimum criminal justice curriculum requirements for basic, specialized, and in-service courses and programs for schools operated by or for the State or a county for the specific purpose of training law enforcement officers;
- (5) Consult and cooperate with the counties, agencies of the State, other governmental agencies, universities, colleges, and other institutions concerning the development of law enforcement officer training schools and programs of criminal justice instruction;
- (6) Employ, subject to chapter 76, an administrator and other persons necessary to carry out its duties under this chapter;
- (7) Investigate when there is reason to believe that a law enforcement officer does not meet the minimum standards for employment, and in so doing, may:
 - (A) Subpoena persons, books, records, or documents;
 - (B) Require answers in writing under oath to questions asked by the board; and
 - (C) Take or cause to be taken depositions as needed in investigations, hearings, and other proceedings, related to the investigation;
- (8) Establish and require participation in continuing education programs for law enforcement officers;
- (9) Have the authority to charge and collect fees for applications for certification as a law enforcement officer; and
- (10) Establish procedures and criteria for the revocation of certification issued by the board.

§ -4 Law enforcement standards board special fund; established. There is established in the state treasury the law enforcement standards board special fund. The revenues of the special fund shall consist of appropriations made by the legislature, fees charged by the board, grants, gifts, and interest on moneys deposited in the special fund. The special fund shall be used to defray the expenses of the board.

§ -5 Training programs. The board shall establish and maintain law enforcement training programs through agencies and institutions deemed appropriate by the board for applications for certification.

§ -6 Standards; certification. (a) No person may be appointed as a law enforcement officer unless the person:

- (1) Has satisfactorily completed a basic program of law enforcement training approved by the board; and
 - (2) Possesses other qualifications as prescribed by the board for the employment of law enforcement officers, including minimum age, education, physical and mental standards, citizenship, good conduct, moral character, and experience.
- (b) The board shall issue a certification to an applicant who meets the requirements of subsection (a) or who has satisfactorily completed a program or

course of instruction in another jurisdiction that the board deems to be equivalent in content and quality to the requirements of subsection (a).

(c) The board may deny or revoke the certification of an applicant or law enforcement officer who fails to meet or maintain the standards required under subsection (a).

§ -7 Employment of law enforcement officers. (a) No person shall be appointed or employed as a law enforcement officer by any county police department, the department of public safety, the department of transportation, the department of land and natural resources, the department of taxation, or the department of the attorney general, unless the person possesses a valid certification issued by the board pursuant to section -6(b).

(b) This section shall not apply to a person employed on a probationary basis, except that employment on a probationary basis may not exceed the period authorized for probationary employment as determined by the board.

§ -8 Revocation or denial of certification. (a) The board shall adopt rules, pursuant to chapter 91, that establish criteria for the denial, suspension, or revocation of a law enforcement officer's certification, including upon a finding by the board that the law enforcement officer:

- (1) Knowingly falsified or omitted material information on the law enforcement officer's application for training or certification to the board;
- (2) Has been convicted at any time of a felony offense under the laws of this State or has been convicted of a federal or out-of-state offense comparable to a felony under the laws of this State; provided that if a law enforcement officer was convicted of a felony before being employed as a law enforcement officer, and the circumstances of the prior felony conviction were fully disclosed to the employer of the law enforcement officer before being hired, the board may revoke certification only with the agreement of the employing law enforcement agency;
- (3) Interfered with an investigation or action for denial or revocation of certification by:
 - (A) Knowingly making a materially false statement to the board; or
 - (B) In any matter under investigation by or otherwise before the board, tampering with evidence or tampering with or intimidating any witness; or
- (4) Has taken other prohibited action as established by the board, by rule.

(b) The board may investigate whether a law enforcement officer no longer meets the standards for certification under section -6(a).

(c) Any proceeding to revoke a certification shall be conducted by the board in accordance with chapter 91.

§ -9 Annual report. No later than twenty days prior to the convening of each regular session, the board shall submit a report to the legislature that includes:

- (1) A description of the activities of the board;
- (2) An accounting of the expenditures from the law enforcement standards board special fund in the previous fiscal year and the remaining balance of the fund; and
- (3) Recommended legislation, if any."

SECTION 3. There is appropriated out of the general revenues of the State of Hawaii the sum of \$100,000 or so much thereof as may be necessary for fiscal year 2018-2019 for deposit into the law enforcement standards board special fund.

SECTION 4. There is appropriated out of the law enforcement standards board special fund the sum of \$100,000 or so much thereof as may be necessary for fiscal year 2018-2019 for the purposes of this Act.

The sum appropriated shall be expended by the department of the attorney general for the purposes of this Act.

SECTION 5. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

SECTION 6. This Act shall take effect on July 1, 2018; provided that the law enforcement standards board established under this Act shall finalize its standards and certification process by July 1, 2019.

(Became law on July 10, 2018, without the governor's signature, pursuant to Art. III, §16, State Constitution.)

PROPOSED CONSTITUTIONAL AMENDMENT

S.B. NO. 2922

A Bill for an Act Proposing Amendments to Articles VIII and X of the Constitution of the State of Hawaii to Authorize the Legislature to Establish a Surcharge to Increase Funding for Public Education.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The purpose of this Act is to propose amendments to the Constitution of the State of Hawaii to authorize the legislature to establish, as provided by law, a surcharge on investment real property.

SECTION 2. Article VIII, section 3, of the Constitution of the State of Hawaii is amended to read as follows:

“TAXATION AND FINANCE

Section 3. The taxing power shall be reserved to the State, except so much thereof as may be delegated by the legislature to the political subdivisions, and except that all functions, powers and duties relating to the taxation of real property shall be exercised exclusively by the counties, with the exception of the county of Kalawao[-]; provided that the legislature may establish, as provided by law, a surcharge on investment real property. The legislature shall have the power to apportion state revenues among the several political subdivisions.”

SECTION 3. Article X, section 1, of the Constitution of the State of Hawaii is amended to read as follows:

“PUBLIC EDUCATION

Section 1. The State shall provide for the establishment, support and control of a statewide system of public schools free from sectarian control, a state university, public libraries and such other educational institutions as may be deemed desirable, including physical facilities therefor. There shall be no discrimination in public educational institutions because of race, religion, sex or ancestry; nor shall public funds be appropriated for the support or benefit of any sectarian or nonsectarian private educational institution, except that proceeds of special purpose revenue bonds authorized or issued under section 12 of Article VII may be appropriated to finance or assist:

1. Not-for-profit corporations that provide early childhood education and care facilities serving the general public; and
2. Not-for-profit private nonsectarian and sectarian elementary schools, secondary schools, colleges and universities.

Funding of public education shall be determined by the legislature; provided that revenues derived from a surcharge on investment real property pursuant to section 3 of article VIII shall be used to support public education.”

SECTION 4. The question to be printed on the ballot shall be as follows: “Shall the legislature be authorized to establish, as provided by law, a surcharge on investment real property to be used to support public education?”

SECTION 5. Constitutional material to be repealed is bracketed and stricken. New constitutional material is underscored.

SECTION 6. This amendment shall take effect upon compliance with article XVII, section 3, of the Constitution of the State of Hawaii.

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Notes

1. See also Floor Amendment 19.
2. See also Floor Amendment 13.
3. See also Floor Amendment 14.
4. See also Floor Amendment 15.
5. See also Senate Floor Amendment 21 or House Floor Amendment 3.
6. See also Floor Amendment 5.

TABLES SHOWING EFFECT OF ACTS

Twenty-Ninth State Legislature
2017 Special Session and 2018 Regular Session

Key: Am = Amended _____ = Part or section number
 N = New to be assigned in
 R = Repealed HRS Supplement
 Sp = Special Session

A. SECTIONS OF HAWAII REVISED STATUTES (HRS) AFFECTED

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46-16.8	Am	Sp 2017 1	206M-15	Am	68
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52D-____	N	112	225P-____(2 secs)	N	15
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149A-____(5 secs, pt.)	N	45	237D-6.5	Am	211
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C. SECTIONS OF THE STATE CONSTITUTION AFFECTED

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